FOREIGN BROADCAST INFORMATION SERVICE

Daily Report

East Europe

FBIS-EEU-94-156
Friday
12 August 1994

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Daily Report
East Europe

FBIS-EEU-94-156 *12 August 1994*

CONTENTS

NOTICE TO READERS: All material in this volume previously disseminated in electronic form.
An Ω indicates a Foreign Media Note.

ALBANIA

RTSh Signs Agreement With Iranian Television *[Tirana TV]* 1
Ministry on 'Incriminating' Persons Among Strikers *[Tirana Radio]* 1
Political Prisoner Group Claims Police Brutality *[ATDHEU 6 Aug]* 1

BULGARIA

Sanctions Against Serbia Termed 'Genocide' *[NOVINI 5 6 Aug]* 2
Article Rejects Recognizing Macedonian Nation *[TRUD 8 Aug]* 2
Commentary Views BSP Elections 'Dispute' *[KONTINENT 9 Aug]* 5

CZECH REPUBLIC

Czech-Ukrainian Economic Agreement Published *[HOSPODARSKE NOVINY 5 Aug]* 6
Survey Links Political Orientation, Activism *[DENNI TELEGRAF 4 Aug]* 7

SLOVAKIA

Hungarian Approach To Drafting Treaty Rejected *[SLOVENSKY DENNIK 5 Aug]* 9
Visa-Free Agreement Signed With Romania *[PRAVDA 6 Aug]* 9
Ministry Lends Parties Money for Campaign *[PRAVDA 10 Aug]* 9
Kukan Views Republic's International Standing *[Bratislava TV]* 10
SNS Accuses DU of 'Electoral Fraud' *[SME 6 Aug]* 10
Business Party Begins Regular SME Supplement *[SME 1 Aug]* 11

HUNGARY

Defense Minister Keleti To Visit Belgrade *[Budapest Radio]* 12
Privatization Commissioner Outlines Strategy *[FIGYELO 11 Aug]* 12
Article Analyzes State Property Agency Deals *[FIGYELO 11 Aug]* 13

POLAND

Defense Commission Approves Budget Report *[PAP]* 15
Sejm Approves Defense Budget *[NOWA EUROPA 12-15 Aug]* 15
Central Bank Official on Money Supply, Inflation *[RZECZPOSPOLITA 12 Aug]* 15
Results of Poll on Rate of Privatization *[GAZETA WYBORCZA 12 Aug]* 16
Zych on Possible PSL Presidential Candidates *[RZECZPOSPOLITA 12 Aug]* 16
Debate on Sejm Members Becoming 'Professionals' *[ZYCIE WARSZAWY 12 Aug]* 17

ROMANIA

Tinca Calls For Speedy Defense Industry Recovery *[ADEVARUL 9 Aug]* 18
Ex-King Awaits Negotiation Results Before Visit *[Bucharest Radio]* 18

BOSNIA-HERZEGOVINA

Ganic, Rose Discuss Demilitarization of Sarajevo *[Sarajevo Radio]* 19
Ganic Responds to Rose's Air Strike Warning *[London TV]* 19
Abdic's Troops Regroup, People Return to Kladusa *[Zagreb Radio]* 19
Abdic on Cazin Situation *[VECERNJI LIST 11 Aug]* 20
Abdic To Meet Army *[AFP]* 20
Serbs, Abdic Reportedly Continue Attacks in Bihac *[Sarajevo Radio]* 20
Silajdzic Says West Lacks 'Political Will' *[SLOBODNA DALMACIJA 6 Aug]* 21
Silajdzic, Iranian Ambassador Discuss OIC Plans *[Sarajevo Radio]* 22
Karadzic, Martic Hold News Conference 10 Aug *[Sarajevo Radio]* 22
Serbian Combat Operations Noted Around Sarajevo *[Sarajevo Radio]* 23
Serbs Return Howitzer, Retain Cannons *[Sarajevo Radio]* 23
Serbs Respond to Croatian Fire Near Dubrovnik *[TANJUG]* 24
Serbian Red Cross on Effects of FRY Blockade *[BORBA 11 Aug]* 24

CROATIA

Tudjman Protests to UN About Dubrovnik Attacks *[Zagreb TV]* 25
Serbian Officer Discusses Refugees' Blockade *[Belgrade Radio]* 25
Minister Complains of UNPROFOR's 'Conduct' *[VECERNJI LIST 4 Aug]* 26

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

Serbian Soldiers Reported Withdrawing Into Serbia *[MIC 9 Aug]* 27
Analysis of Drug Abuse in Country *[VECER 7 Jun]* 27

YUGOSLAVIA

Federal

TANJUG Reports Success of Economic Program 29

Kosovo

Internal Conflict Among Albanians Examined *[Belgrade Radio]* 29

RTSh Signs Agreement With Iranian Television

AU1108123894 Tirana TVSH Television Network in Albanian 1800 GMT 5 Aug 94

[Excerpts] Albanian Radio Television [RTSh] has signed an agreement with Iranian television. Our correspondent Ferdinand Samarxhi reports:

[Samarxhi] [Passage omitted] At the invitation of Dr. Halil Arixhani, general director of Iranian Radio-Television, an RTSh delegation has held a series of friendly meetings and positive talks at Iranian Radio-Television and at the Culture and Foreign Ministries, where the delegation met with two deputy foreign ministers—Mohammad Hashemi, former director general of Iranian television for 13 years, and Mr. Rahim Pur.

Both sides expressed their desire to cooperate with each other, which was realized in the signing of a cooperation agreement by Dr. 'Ali Larijani, general director of Iranian Radio-Television, and RTSh Director General Skender Bucpapaj.

The cooperation agreement provides for an exchange of various television cultural programs; the preparation of joint programs about traditions, civilizations, cultures, and religion; reciprocal information on current developments in both countries; training courses of various periods for RTSh employees in Iran, etc.

The Iranian side expressed its commitment to assist the RTSh during its current difficult transition period. [passage omitted]

Ministry on 'Incriminating' Persons Among Strikers

AU1108162094 Tirana Radio Tirana Network in Albanian 1330 GMT 11 Aug 94

[Text] A statement by the Public Order Ministry confirms that after being informed about the identity of the persons participating in the hunger strike by the former political persecutees in Tirana and in several other districts in the country, and based on the Ministry reports that there are incriminating persons among the strikers, the competent state bodies exerted control to verify this fact.

Of the general number of the persons who organized and participated in the strike, 166 persons were included on the lists of incriminating persons. The statement states that, of the general number of the strikers, totalling 287 persons, 65 persons were former state security agents, while 35 of them were convicted for ordinary crimes, such as burglary in groups and in large proportions, theft of private property, smuggling, and other ordinary crimes.

Based on this law, this contingent of persons will not profit from the status of political persecutee. The participation of this contingent in the strike, the Public Order Ministry statement continues, reveals who are the real instigators, organizers, and leaders. This fact exposes the aim of the strike to the public, which is far from being economic in nature and which rather attempts to destabilize the country.

Lists of the names of these persons will be handed over to the Albanian justice bodies, the Public Order Ministry statement ends.

Political Prisoner Group Claims Police Brutality

AU1108113594 Tirana ATDHEU in Albanian 6 Aug 94 p 1

[Unattributed report: "The First Truncheons of a New Communist Dictatorship Strike the Members of the Association of Former Political Detainees"]

[Text] Yesterday, 5 August 1994, the Association of Former Political Prisoners and Detainees started a national hunger strike in support of their demands, which have been made known to the government through a declaration issued by the National Council of the Association of Former Political Prisoners and Detainees.

According to information given to us by Mr. Kurt Kola, chairman of the Association of Former Political Prisoners and Detainees, the strike has started in the following towns: Tirana, Kruja, Shkoder, Kukes, Malesi e Madhe, Preskopi, Bulqize, Burrel, Shijak, Durres, Kavaje, Berat, Fier, and Permet. In Tirana alone 100 people have joined the strike. As far as other districts are concerned, Mr. Kola said, we do not have any information.

Yesterday evening at about 2030 [1830 GMT], in the town of Fier, members of the Association of Former Political Prisoners and Detainees were violently ejected from the association's building. The same happened in Durres, where rubber truncheons were used by the police against 70 former political prisoners and detainees who had arrived to participate in the hunger strike.

Association buildings in every district are being surrounded by police, which means that rubber truncheons will be used against all the members of the association.

Chairman of the Association Kola told us that it is a success and a piece of good luck to be the first to taste the truncheons of the new communist dictatorship. They can be assured that these rubber truncheons used against us will boomerang against them.

The last truncheons of Enver Hoxha's dictatorship were used against us on 27 September 1990 in the Kosova political prison [a village in central Albania]. The first truncheons of the new dictatorship have now also been used against us.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Sanctions Against Serbia Termed 'Genocide'

AU1108124094 Sofia NOVINI 5 in Bulgarian 6 Aug 94 p 3

[Commentary by Zhoro Dimitrov: "The West Is Ruining Bulgaria With New Sanctions"]

[Text] The latest developments in Bosnia show that devastating new Yugo-sanctions are being added to undermine further our country's disastrous economic situation caused by the embargo of the West and our local Francophone leaders. Such a formula of forcibly imposing democracy shows that it has hardly any effect, in the case of Yugoslavia, at least, after the Yugoslav economy is even showing some progress compared with ours.

Though directed against Yugoslavia, the Yugo-embargo has actually affected the Bulgarian economy to a much greater extent, thus contributing to the destructive mission of our local rulers and of their foreign advisers. The latest embargo initiatives of the United Nations regarding Bosnia can boldly be described as sanctions against Bulgaria. They envisage the total closing of our western borders, including our navigation on the Danube from Vidin upwards, as well as extended controls on the borders in question. Establishing these border barriers will entail at least one monitor for every Bulgarian being required to check the observance of the embargo, to be appointed by the United Nations or NATO, but naturally at Bulgaria's expense.

However, this is not the most tragic aspect of the situation. We have not recieved any benefits from the Western powers so far. Throughout its historical development all that Bulgaria has received from the West were the disastrous results of the Berlin Congress and of the Treaty of Neuilly. We shall never get anything better! This also applies to our hope for compensation for the Yugoslav sanctions. What is even more dangerous for our country is the current officious foreign policy of our servile puppet regime, which once more almost enthusiastically welcomed the new Western initiative, while being aware that neither Minister Daskalov nor President Zhelyu Zhelev are going to pay the billions of dollars that Bulgaria has been losing in the case. Even on this most recent occasion our Foreign Ministry failed to demand the preliminary conditions for our authorities to join in the latest embargo initiative, thus proving that our state has totally lost its sovereignty over the last four years. Let us disregard the question of whether or not the embargo initiatives of the "peacemakers" for Bosnia are justified, despite the fact that they are based on false arguments propagated by the international mass media about the Serbs being the guilty party in the conflict. One way or another, Bulgaria has absolutely no reason to pursue Zhelev's ideologized and servile attitude dating from the era of the Gulf War. Our country shall not eternally observe other people's solutions directed against Serbia (which are consequently also directed against our own country) and which are likely to be pursued for several more decades. A policy to Bulgaria's advantage would be, together with the other countries affected, to seek methods to overcome the sanctions gradually, rather than getting entangled in new ones. Hence, under no circumstances should we join this new genocide! For this purpose, however, we need new elections, after which genuinely patriotic Bulgarian statesman will take over the government, replacing the current ones.

Article Rejects Recognizing Macedonian Nation

AU1108190594 Sofia TRUD in Bulgarian 8 Aug 94 p 8

[Article by Stoyan Draganov: "Doubtful Theories Will Not Straighten Out Our Relations With Skopje"]

[Text] Recently, certain circles in Bulgarian political life have begun to persistently to propound the thesis that:

—Bulgaria should recognize the "realities" in the Republic of Macedonia [the Former Yugoslav Republic of Macedonia—FYROM]; that is, to accept the formation of a Macedonian national consciousness as a real fact, which also implies acceptance of the existence of a Macedonian nation and a Macedonian language;

—The official recognition of these realities should bring about positive political results; together, we are supposed to begin "to seek common roots that bring us closer together, instead of distancing us from one another;" and, finally

—"If the existence of the newly formed Macedonian identity and Macedonian language is recognized, this will not harm Bulgaria; moreover, it will enable the two nations to draw together." Sooner or later, we are supposed "to find out whether we have gained or lost from the new nation that was artificially created, but is already a real entity."

These ideas, with small variations, are being propounded mainly by senior representatives of the BSP [Bulgarian Socialist Party]. After the SDS [Union of Democratic Forces] "softened" its attitude on the issue of "the realities" (see the political statement by SDS leader Filip Dimitrov published in DEMOKRATSIYA—editor's note), the debate on the issue further developed. Through the publication of programmatic articles in DUMA—"Let Us Make Place for Sensible Relations With Macedonia" (1 June 1994), in KONTINENT—"Recognition of the Macedonian Nation Will Not Harm Bulgaria" (21 June 1994), and certain other articles and manifestations, the concept began to be promulgated for wide public consumption and for purposes of manipulating society's consciousness.

However, there are a number of fundamental questions that the authors of the thesis of "the realities" and its lobbyists in Bulgaria either fail to answer or pass over in silence.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

What Realities Are To Be Recognized, Who Is To Recognize Them, and How?

The thesis that "we should recognize the realities" and on this basis "seek our common roots together" does not hold water, and this is demonstrated from the purely formal aspect.

Bulgaria recognized the maximum that it can recognize as an international political reality, namely the state called the Republic of Macedonia. The national self-consciousness of the population of this state is not and cannot be a matter for verification by an interstate treaty, legal document, or by some other form of recognition.

The ethnic-social, demographic, linguistic, and other processes taking place in the republic—their scope, content, intensity, and direction—are quite different questions, and ones to which Bulgaria can give no answer. There is no example of this in world practice.

The question arises: Who is to recognize "the realities"—the National Assembly, president, Council of Ministers, or someone else? Who? The Bulgarian State and its institutions do not deal with the formation, recognition, and legalization of nations, national groups, and so on, or with their "recognition" anywhere in the world. In Bulgaria today there is no institution that can recognize the suggested "realities," even if it wanted to.

The problems become even more intractable when one considers the question of how the "realities" are to be recognized, especially on the territory of another state. Is this to be done by an act of the National Assembly, a presidential decree, a decree of the Council of Ministers, or by some other act?

In the final analysis, it turns out that:

a) There is no object to be recognized; the so-called realities are not subject to diplomatic recognition;

b) There is no agent able "to recognize" them; and

c) There is no way in which this can be done.

The thesis that "we should recognize the realities" and on this basis "seek our common roots together" also does not hold water because of the fact that our common roots have been incontrovertibly proven. In other words, we (on the Bulgarian side) simply have nothing to seek. Furthermore, the new political elite in Skopje categorically refuses to accept that we have common roots and a common history—something that Bulgaria has proposed on numerous occasions, beginning as early as in the sixties, as a possible mutually acceptable formula. The concealment in Bulgaria of this fact—that Skopje rejects the Bulgarian initiatives, including a proposal for joint celebrations of dates of historic events, anniversaries relating to notable personalities, and so on, is either the result of political fraud or due to complete ignorance of the facts.

The recognition of the "realities," for those who intend to recognize them, would imply complete acceptance of the Skopje (south communist) political construct relating to the Macedonian question, in all its aspects—historical, ethnic, linguistic, and so on.

Accordingly, from both the formal and practical viewpoints, the thesis of "recognizing the realities" borders on the absurd, all the more so because no one in Bulgaria wants this.

The Essence of the Problem—Domestic Bulgarian Aspects

The debate on the "recognition" of the so-called "realities" gives rise to a number of questions.

In Bulgaria, almost all the political agents (parties, etc.) have formulated views on the Macedonian question that cover it either partially or more comprehensively. However, one sees from analyzing their party documents that none of the parties that claim to be successors, whether of the Bulgarian Communist Party or the Democratic Party, accepts the liabilities from their predecessors' past relating to the Macedonia question. Whereas this attitude is understandable in the case of the political parties of the SDS or other parties that appeared after 1989, due to the long break in continuity, responsible representatives of the BSP display a type of behavior that is difficult to explain.

For example, it is extremely strange that the impetus for "recognizing the realities" comes precisely from the BSP circles, experts, and leaders. May this not be connected with these people's persistent unwillingness to see the forced Macedonization policy carried out in Pirin Macedonia by party and administrative means from 1944 to 1956 condemned as a criminal attitude toward their own people? I ask this because there is a genetic link between "recognizing the realities" and the forced Macedonization carried out in Bulgaria during that period.

One wonders why the BSP's youthful ruling team assumes a political commitment toward past events with which they have no connection in practice and which can only be a liability in the future.

As regards the SDS coalition, certain inadequate acts they have carried out in this direction may be better attributed to unfamiliarity with the main feature of the postwar evolution of the problem and to manifestations of simplistic thinking on issues that are far from simple. One cannot take it seriously when a leader of a political party draws global conclusions on the basis of his personal impressions of what he has heard from his cousins and uncles in Kriva Palanka [settlement in FYROM]!

The way in which the idea of "recognizing the realities" is presented is extremely characteristic of the psychological stereotypes of political thought and practice in Bulgaria. Here also, the Bulgarian politician or expert gives primacy to his strong desire to make his mark by "solving the problem" at a stroke—in this case, by

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

"recognizing the realities," forgetting that some problems are not susceptible to one-off solutions. It would be better if our politicians and their consultants freed themselves of the false idea that one or other of them may go down in history for having some political brain wave on the Macedonian question. Our bitter Bulgarian experience shows that no such politician has appeared in the whole of our post-liberation history.

The International Dimension

Few Bulgarian politicians comprehend that the outwardly inoffensive phrase about "recognizing the realities" is aimed at finally eliminating Bulgaria from the Macedonian terrain. The purpose is to eject from the game the player who, without knowing it, holds some of the strongest cards, or, if he is aware of it, does not know how to play them. Sofia is in the game, even if it does not want to be. This fact is demonstrated every day by the international community and by our relations with Belgrade, Athens, and Tirana, but most of all by our relations with Skopje.

The consequences of "recognizing the realities," in other words, of officially leaving the game, which at the moment, thank God, is impossible, might be as follows:

—A sharp decline in the objectively stabilizing role that Bulgaria is playing at the moment in the region, and the untying of the hands of Serbia, Albania, and Greece, leaving them free to sign a treaty to close the file called "an independent Macedonian state." This process may last years and may include as an intermediate stage a peaceful division of the republic, or "soft federalization" (the zones are being drawn up at the moment), with subsequent inclusion as part of the rump Yugoslavia, for which real conditions already exist. Such a development would be extremely unfavorable for Bulgaria because of the unknowns surrounding the process of reintegration and the possibility of internal conflicts arising in the republic.

This is only one of the possible alternatives for future development if the Bulgarian factor removes itself from the process of unraveling the Macedonian knot, and it is the least painful one for us.

—Regarding our relations with Skopje, it would mean erecting a new Berlin wall between the two states and, most of all, legitimizing the claims of defending the rights of the imaginary "Macedonian national minority" in Bulgaria. The current authorities in the Republic of Macedonia have no desire to develop relations with Bulgaria in depth and with the future in mind. They have proved this on many occasions and for various motives, regardless of their objective interest in this. Furthermore, no one knows who may be in power in Skopje in the future.

Illusions, Realities, and Political Linguistics

The advocates of the thesis on "recognizing the realities" are hoodwinking the Bulgarian political elite by fostering the illusion that the current chiefs in Skopje dearly love Bulgaria, but cannot show it because they are under pressure from the Serbian lobby. However, if Bulgaria makes a further small step by "recognizing the realities," including the language that they claim really exists, bilateral relations will take a new course. However, what if they do not? Who guarantees that this will happen? What genuine well-intended steps have the rulers in Skopje taken regarding their relations with Bulgaria during the four years that Macedonian democracy has existed?

In the final analysis, everything depends on the so-called formula for designating the languages in which bilateral documents are written, a problem that both sides have artificially created and fomented. However, whereas our people regarded the problem as a run-of-the-mill scandal, without understanding very much about the point of the dispute, certain politicians in Skopje saw it as a splendid chance to block interstate relations for a long period.

A sober, unprejudiced analysis reveals that the senior state officials on both sides understood the benefit of the form of words "the official languages in the two countries" and used it in drafting and signing documents.

—Guided by practical considerations, Bulgaria has accepted the idea of unhindered communication with the help of the dynamic language norm that is called a "Macedonian language" in the Republic of Macedonia (documents are also drawn up in it), regardless of the fact that Bulgaria itself regards and treats it as a form of the Bulgarian language. On the other hand, in Macedonia this language (norm) is regarded as an official one, and this is stated in their Constitution. The point is that this mutually acceptable formula can be used to overcome the artificial and totally unnecessary barriers to creating a treaty basis for bilateral cooperation.

However, Skopje unexpectedly rejected the mutually acceptable solution, forgetting that politics is the art of compromise, and that continuous blackmail cannot be used as a method in relations with Bulgaria and is unlikely to be tolerated for ever.

—Bulgaria assumes the commitment (which is extremely important!!!) that, with the help of this formula, when signing documents one can keep to the form established in the Constitution of the Republic of Macedonia, but not to any other. No one in the republic can give any guarantee that in the future, for example, Gostivar Municipality may not want to sign a cooperation treaty with Pleven Municipality in Albanian and Bulgarian! Not to mention the fact that inside the republic at least half of the internal documents are still written in "Macedonian" with Roman letters; there are masses of examples of this.

—In the present situation of dynamic evolution of political language-making on the territory of former

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Yugoslavia, Bulgaria clearly wants to have flexible, but at the same time precise guidelines covering the linguistic aspect of its interstate documents.

In this context, one may recall that until quite recently, a Serbo-Croatian (or Croatian-Serbian) language existed. Are documents today signed separately "in Serbian," "in Croatian," and even "in Bosnian"?! (Regarding the last, see the Washington declaration on the creation of the Croatian-Muslim Federation.) With the continuing ethnopolitical experiments on the territory of former Yugoslavia, no one can guarantee that a "Bunjevac," "Strumica," or "Montenegran" language may not pop up. Since such problems have arisen with Serbo-Croatian, the creation of Vuk Karadzic, what will happen with the other, far younger linguistic norms?

—The raising of the problem of the formula to be used for signing documents (not the language to be used, as some people incorrectly call it) as an insuperable barrier to developing interstate cooperation clearly indicates that:

It is high time that we Bulgarians rid ourselves of the delusion of the existence of any love of Bulgaria on the part of President Gligorov and his entourage. It would not be superfluous for Bulgarian politicians to ascertain that, following his return from his fruitless (and senseless as far as we are concerned) visit to Sofia, Gligorov declared with unconcealed satisfaction that the so-called linguistic problem was a purely Bulgarian one—that is, Bulgaria should make concessions to him and kneel down before him.

Bulgarian politicians and administrators should abstain from acting like kissing cousins in their contacts with their colleagues from the Republic of Macedonia (including the highest institutions).

Using this fabricated "problem" as a motive, the Macedonian leadership is also deliberately blocking international projects, including the east-west corridor, and continues to display unconcealed hostility toward Bulgaria.

It is high time to realize that Skopje is not moved by interpretations and artificial constructs such as "recognizing the realities." What is needed is something different—a real policy.

Commentary Views BSP Elections 'Dispute'

AU1108123694 Sofia KONTINENT in Bulgarian 9 Aug 94 p 4

[Commentary by Rumyana Bratanova: "The Fifth Trump Card"]

[Text] It is already a well-known fact that even the nice family of the Bulgarian Socialist Party [BSP] is torn by rivalries and that, even before the dispute about who relinquished power in 1991 erupted between Lukanov and Lilov at the latest BSP plenum, the daily DUMA had strongly sided with the former prime minister.

A stenographic record of a meeting held by the Political Consultative Council at the president's office on 29 November 1993 confirms that Lilov did not hesitate to sacrifice Lukanov and his own people's government. Lukanov remained to play the first violin in the party orchestra, while the conductor Lilov marked the "finale' with his baton. Now, according to the instructions of the strategic expert Lilov, the party is rehearsing a new score—namely that of demanding early elections, but Lukanov's part in the score is limited to the modest role of playing the viola d'amore.

While self-appointed historians of peaceful transition are debating whether it was the irreconcilable Bulgarian student group, the unique organizer of political strikes called Trenchev, or "that devil Zhelev" who cast the socialists from power, it turns out that the communist comrades have once more played a decisive role in our history. Once again, we, the public, are caught by surprise. We do not know who did it or why. Only the skill of our politicians in producing the fifth trump card from their sleeve, namely by discrediting one's rival, has once more been confirmed. In this particular case, however, Andrey Lukanov, apart from pursuing his own ambitions, is trying to slow down the speed with which his opponents are rushing toward new elections.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Czech-Ukrainian Economic Agreement Published

AU1208065494 Prague HOSPODARSKE NOVINY in Czech 5 Aug 94 p 9

["Agreement Between the Governments of the Czech Republic and Ukraine on Trade and Economic Relations and Scientific and Technical Cooperation," signed in Prague on 17 March 1994]

[Text] The Governments of the Czech Republic and Ukraine, referred to hereafter as the Contracting Parties, aware of the great significance of traditional trade and economic relations, taking into consideration the profound changes taking place in the economies of the two countries, and guided in trade and economic relations by the principles of equality, mutual benefit, and international law, have agreed on the following:

Article 1

The Contracting Parties will extend to one another the most-favored-nation status in relation to trade in goods originating from the territories of their states and in relation to other forms of economic cooperation.

Article 2

The most-favored-nation status does not apply to:

a) preferences and advantages that one of the Contracting Parties has extended, or will extend, to neighboring states in the interest of facilitating trade in border areas or inter-regional trade with other states,

b) preferences and advantages stemming from the Contracting Parties' participation in customs unions or free trade zones.

Article 3

In the entire system of trade and economic relations between the Czech Republic and Ukraine, with the exception of accords resulting from previously agreed and valid agreements, individuals and legal entities from the countries of the Contracting Parties, referred to hereafter as entities, clear accounts and carry out payments in freely convertible currencies at current world prices and in accordance with principles being applied in the world commercial and financial practice.

Article 4

The Contracting Parties will promote the development of trade relations aimed at increasing the mutual turnover of goods and the volume of extended services under generally valid commercial terms. At the same time, they do not rule out the possibility of negotiating at the level of the appropriate bodies mutual deliveries of the most crucial types of goods that are of importance for meeting the Contracting Parties' priority needs.

The Contracting Parties will jointly analyze the state of trade and economic relations and exchange the appropriate data and information relevant for the further development of mutual economic relations.

Article 5

The Contracting Parties will establish favorable conditions for the conclusion and implementation of contracts concerning the delivery of goods and provision of services.

Article 6

The Contracting Parties have agreed that, in case of need, the appropriate banks will conclude agreements on the technical method of clearing accounts, extending credit, and carrying out payments for deliveries of goods and provision of services.

Article 7

Following mutual agreement, the Contracting Parties' entities will conclude contracts, including long-term contracts, particularly for deliveries of goods with a long production cycle, on the understanding that prices and other commercial conditions will be agreed upon in accordance with the provisions of this Agreement.

Article 8

The Contracting Parties will promote the intensification of economic and scientific-technical cooperation. In addition to mutual trade, this cooperation will be geared toward expanding production sharing, setting up joint ventures, associations, and organizations, as well as toward developing and introducing other progressive forms of cooperation common in world practice. At the same time, in keeping with the legal systems valid in their countries, the Contracting Parties will create favorable conditions for the establishment of branches, departments, and representations of organizations, enterprises, firms, banks, trading houses, commodity and stock exchanges, cooperatives, and corporations on the territories of their countries for their commercial, industrial, and economic activity and will grant the appropriate rights to legal entities and individuals from the country of the other Contracting Party.

Article 9

The Contracting Parties affirm their joint interest in establishing conditions for the movement of capital, for pooling the two countries' investment resources for the realization of joint projects, for the activation of the influx of investments from third countries, and for the participation of economic entities from the other Contracting Party in the privatization process, in accordance with the legal system valid in each country and taking into account the specific features of their economies.

Article 10

The Contracting Parties will establish favorable conditions for the development of joint entrepreneurial

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

activity, including support and protection of investments and the prevention of double taxation, and will not apply discriminatory measures in mutual economic cooperation.

Article 11

Goods delivered in accordance with the provisions of this Agreement can be reexported to third countries only on the basis of the exporters' written consent.

Article 12

Results of scientific-technical research and development that have been obtained jointly by Czech and Ukrainian entities must not be passed on to third persons and published without the consent of those entities.

Article 13

To assess the course of fulfillment of this Agreement, authorized representatives of the Contracting Parties will meet, on the basis of mutual agreement, alternately in the Czech Republic and in Ukraine and, if necessary, will adopt appropriate decisions.

Article 14

For the sake of attaining the targets of this Agreement and promoting economic, production, and scientific-technical contacts between the Czech Republic and Ukraine, the Contracting Parties will set up a Czech-Ukrainian Commission for Questions of Trade and Economic Cooperation, which will be staffed with representatives of the Contracting Parties' authorized agencies.

Article 15

This Agreement can be altered or amended on the basis of the Contracting Parties' mutual agreement.

Article 16

This Agreement goes into force on the day of its signing.

Article 17

The Agreement is being concluded for an indefinite period, with each Contracting Party being able to abrogate it by means of notification. In this case, the Agreement will lose validity after the passage of six months since the day of notification on its abrogation.

Provisions of this Agreement will apply to contracts concluded prior to its termination until these contracts are fully realized.

With the signing of this Agreement, the following agreements become null and void in relation to the Contracting Parties:

—Agreement Between the Czech and Slovak Federal Republic and the Ukrainian Soviet Socialist Republic on Trade and Economic Relations and Scientific and Technical Cooperation of 30 June 1991, and the "Supplement" to it of 25 May 1992,

—Payments Agreement Between the CSFR Government and the Government of Ukraine of 15 November 1991.

Enacted in Prague on 17 March 1994 in two original copies, each in the Czech and Ukrainian languages, with both texts having the same validity.

Survey Links Political Orientation, Activism

AU1108172594 Prague DENNI TELEGRAF in Czech 4 Aug 94 p 3

[Second installment of article "Profiles of Political Parties" by Jan Hartl from the Center for Empirical Research (STEM): "How Active Are Supporters of Political Parties? Profiles of Political Parties, Part II"]

[Text] The activity of political parties as typical formalized institutions is a result of the activity of their leaderships, secretariats, networks of local organization, paid staffs, and unpaid activists. In the present phase of the development of our society, in which politics are still highly personalized—that is, greatly dependent on the activity of leading political personalities—the parties' activity remains to a considerable degree a reflection of the activity, initiative, resourcefulness, aggressiveness, and adaptability of the supreme political personalities or, rather, the political elite. However, this is not enough to comprehend the active (or passive) hinterland of political parties. This series wants to show that, to a large measure, the conduct of political parties is connected with their broader hinterland, with the nature and activity of their supporters.

What is the problem? All ballots in the election have the same value, and the election results are determined by how many people give their vote to a party, and that is it. This is an undisputable truth only at the moment of the election. It makes a difference to the ruling parliamentary parties whether they feel firm and systematic support of certain groups and the public even years after the election, or whether they achieved their result by dexterous preelection juggling, and their voters feel cheated and deceived only a few months after the election. Therefore, it matters how large the core of "faithful" supporters is among their voters. We will show these data in the profiles of individual parties that will follow.

Now we will take a look at a related problem. It is not completely irrelevant to what degree the supporters of individual parties take an interest in politics, to what degree political problems are clear to them, to what degree their political orientation is an expression of good and substantive knowledge of problems, or to what extent it is a haphazard collection of assimilated cliches of the day and media platitudes. Likewise, it is not irrelevant to what degree party preferences are reflected in the firm determination to go to the polls and to what

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

degree the potential participation in the election is only very lukewarm. [sentence as published]

The STEM [Center for Empirical Research] data show, over the long term, that, in our Republic, men take a greater interest in politics than women, that people of ripe middle age are more interested than elderly citizens and the youth, and that interest in politics is far more frequent among citizens with higher education. Interest in politics in urban and rural areas is quite similar, and there is no significant difference between the Czech and Moravian regions, either. If we wanted to find out how interest in politics finds its expression in the camps of the left, the center, and the right, we would ascertain something interesting. STEM's exceptionally extensive "mammoth" survey "Elections 1994," which used a sample of 11,647 respondents above age 18, demonstrated one long-term trend: The level of political interest (and, apparently, also activism) on both poles of the political center is very high, while, in the political center, the intensity of links with political parties tends to be relatively weak, obviously reflecting certain indecisiveness.

This distribution of views, which is reminiscent of the letter "U," is an important finding. The task of future surveys should be to monitor to what measure the vacated political center is being filled with citizens taking an interest in politics or with citizens taking no interest in politics, and to what extent one could speak about the polarization or fragmentation of our political scene.

Replies to the question of whether the respondent would go to the polls if the parliamentary election were to be held next week show a similar pattern.

The results of the survey on degree of interest in politics among supporters of individual political parties point to a high level of capability for action among supporters of the Civic Democratic Party [ODS], which is a very remarkable result for a dominant political force two years after the election. The survey's data at the same time testify to a sufficiently deep political commitment in the group of communist voters. Parties distinguished by recent inflow of new supporters (Civic Democratic Alliance, Czech Social Democratic Party) show a relatively strong degree of stabilization of their capability for action. The data show that the Democratic Union has very sharply defined contours, corresponding to its place at the far end of the right-wing political spectrum. The Republicans, on the other hand, emerge relatively weak on the basis of these data, as do the parties of the political center.

Interest in Politics Among Supporters of the Left and the Right[1]

Supporters standing clearly on the left	79.2
Supporters tending more to the left than to the right	51.8
Supporters of the center	35.0
Supporters tending more to the right than to the left	59.4
Supporters standing clearly on the right	75.8

[1]Percentage share of "very interested" and "moderately interested" replies.

[The above article is followed by a bar chart, which, without citing any exact figures, provides the results of the STEM survey on degree of interest in politics among supporters of individual political parties. The bar chart shows that the greatest political activism is characteristic of supporters of the Democratic Union, almost 90 percent of whom are interested in politics. They are followed by supporters of the Civic Democratic Party and supporters of the various communist and postcommunist parties (about 60 percent), supporters of the Civic Democratic Alliance (slightly over 50 percent), and supporters of the Czech Social Democratic Party, the Liberal Social Union, and the Free Democrats/Civic Movement (slightly under 50 percent of supporters of these parties take an interest in politics). The smallest degree of political activism is characteristic of supporters of the Green Party, only slightly more than 20 percent of whom take an interest in politics. The other parties included in the bar chart (Christian Democratic Union-Czechoslovak People's Party, Christian Democratic Party, Czech-Moravian Center Party, and Assembly for the Republic-Czechoslovak Republican Party) have been 40 and 50 percent of supporters who take an interest in politics. The bar chart also demonstrates the low level of political interest among people who do not intend to participate in the elections and among undecided voters. Fewer than 30 percent of respondents from these two groups show an interest in politics.]

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Hungarian Approach To Drafting Treaty Rejected

AU1108195894 Bratislava SLOVENSKY DENNIK in Slovak 5 Aug 94 p 2

[Interview with Foreign Minister Eduard Kukan by reporter "alg"; place and date not given: "I Reject the Challenging of the Legitimacy of This Government"]

[Text] [SLOVENSKY DENNIK] In conjunction with the Hungarian prime minister's visit to Bratislava on 5 August and the basic treaty between Slovakia and Hungary now under preparation, a number of voices could be heard challenging the legitimacy of this government to sign agreements of this kind, in view of its limited term of office. Such doubts have been raised by Slovak National Party Chairman Jan Slota as well as by Eva Kristinova, Slovak Heritage Foundation deputy chairwoman, who went so far as to say at the meeting of Slovaks from southern Slovakia at Surany that all treaties signed by this government were invalid. How do you assess such statements?

[Kukan] I would like to reject categorically any challenging of the legitimacy of this government and its right to sign international treaties and agreements. The representatives you just quoted should realize the nature of this treaty. It is an interstate, presidential treaty and the Constitution demands in this case that the Parliament of the Slovak Republic express its consent with it. In other words, they will be able to deliver their opinion on the treaty and to vote on it. Their statements are therefore utterly out of place.

[SLOVENSKY DENNIK] Have you received any negative response from abroad to those statements?

[Kukan] So far, I have not registered any negative response from abroad. Nevertheless, the repercussions of such statements for the Slovak Republic can be extremely negative. This is the legitimate government of the Slovak Republic and it is being accepted as such everywhere in the world. No one abroad has called it into question; quite the contrary, the credibility of our international contacts, and the acceptance of us, have increased in recent months. We have been able to register during many negotiations abroad that our counterparts speak positively about this government and its policies in various areas. I therefore believe that such voices are directed against the interests of the Slovak Republic and its position in the world.

[SLOVENSKY DENNIK] Representatives of the Hungarian minority parties are vexed by the government's failure to discuss with them the contents of the text of the basic treaty with the Hungarian Republic.

[Kukan] This is a standard interstate treaty and there exist standard methods of negotiating and signing such treaties. We will be guided by those methods and will proceed in accordance with them. These methods do not envisage consultations with, or participation by, any entities or individuals from within the state in this initial stage of negotiations, which involves experts. I therefore reject the statements by representatives of Hungarian political parties in Slovakia that we should have discussed the treaty with them first. I do not rule out that we will consult them, or that we will respect their interests. Quite the contrary. However, the decision on whether we will conduct any consultations, and how we will conduct them, will be made by the government. The Slovak Government and the Hungarian Government have different methods of approaching the preparation of this treaty. The Hungarian side has already consulted with representatives of Hungarian political parties in Slovakia but, as I have been informed, also with the Slovak minority in Hungary. If the Hungarian Government wants to proceed in this way, it is its internal affair and I am not going to comment on it. However, these are nonstandard methods and we reject such a mechanism.

Visa-Free Agreement Signed With Romania

AU1108153094 Bratislava PRAVDA in Slovak 6 Aug 94 p 1

[TA SR report: "Romanians Without an Invitation, Too"]

[Text] Bratislava—"On the basis of an agreement, Romanian nationals no longer require an invitation from a Slovak citizen in order to visit Slovakia," said Interior Minister Ladislav Pittner yesterday in connection with his recent visit to Romania. In Bucharest on Thursday, 4 August, he and Romanian Interior Minister Ioan Doru Taracila signed an agreement between the Slovak and Romanian Governments on visa-free relations. He is not concerned that criminal elements will begin to stream into Slovakia from Romania in greater numbers. According to Minister Pittner, they also managed to provide themselves with the necessary invitations in the past. During its two-day visit to the Romanian Republic, the Slovak delegation was also received by Romanian Prime Minister Nicolae Vacaroiu.

Ministry Lends Parties Money for Campaign

AU1108172394 Bratislava PRAVDA in Slovak 10 Aug 94 p 3

[Report by "(ao)": "Few Will Be Satisfied"]

[Text] Bratislava—The decision on the distribution of 30 million korunas [Sk] among 11 political entities for their election campaigns was signed at the Finance Ministry yesterday. It was made on the basis of an amendment to the law on the state budget passed in response to the declaration of early parliamentary elections.

This not insignificant parcel of money—intended as "temporary financial assistance for the political parties and movements for the elections to the National Council of the Slovak Republic"—should not, however, disappear from the overall balance of the state budget, because the "claimants" of this advantageous interest-free loan should repay their debt to the state from their reimbursement for the costs of the elections (Sk60 per vote). However, only those parties and movements or electoral

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

coalitions that win more than 3.0 percent of the total number of valid votes cast will be reimbursed. Therefore, the main requirement enabling the Finance Ministry to accommodate the election-eager political entities was that they had received the support of 3.0 percent—at the very least—of the adult population of Slovakia in the public opinion polls conducted in recent months.

The Movement for a Democratic Slovakia received the largest sum as an individual entity—Sk5.5 million (although it had asked for Sk12 million). The Party of the Democratic Left (it asked for Sk6.0 million), the Christian Democratic Movement, and the Democratic Union of Slovakia [DU] had to make the best with Sk4.0 million. Egyutteles and the Social Democratic Party in Slovakia were each loaned Sk2.5 million for a few months, while the Party of Greens in Slovakia and the National Democratic Party-New Alternative [NDS] got Sk2.0 million; the Slovak National Party got Sk1.5 million (it had demanded Sk8.0 million!); the Association of Workers of Slovakia got Sk1.0 million; and the Farmers' Movement got Sk900,000. The ministry kept Sk100,000 in reserve. If one adds it all up, the most satisfied will obviously be the left-green coalition, Common Choice, which got Sk9.4 million altogether and the DU, which also has NDS representatives on its slate, so it will be able to reckon with at least Sk6.0 million for its election budget. We will undoubtedly find out in the next few days what the remaining entities say to this, the unsuccessful candidates for credit, whom the state is not lending one koruna interest-free.

Kukan Views Republic's International Standing

LD1108193494 Bratislava STV 1 Television Network in Slovak 1730 GMT 11 Aug 94

[Interview with Foreign Minister Eduard Kukan by an unidentified correspondent; place and date not given—recorded]

[Text] [Correspondent] Minister, is it possible to briefly describe Slovakia's current international political position?

[Kukan] Slovakia's current position on the international political scene is solid and good. Slovakia is viewed by the world as a state that has clearly defined its position in international relations and the priorities of its foreign policy, a state which claims allegiance to European structures and has persuaded—by its activity in the United Nations—that it is a well-functioning state with all the preconditions to become a respected partner and participant in international events.

I believe that there has also been a change in that Slovakia is now viewed as a genuinely democratic state building a democratic society. In my view, this turning point came about in recent months as a result of this government's activity in the sphere of foreign policy.

[Correspondent] And what are the shortcomings?

[Kukan] The shortcomings of our foreign policy ensue, in my opinion, from the current internal political situation in Slovakia, since the only thing I do come across is the fact that some foreign partners still show some reservation and say: Well, we will wait to see the results your elections.

SNS Accuses DU of 'Electoral Fraud'

AU1108160794 Bratislava SME in Slovak 6 Aug 94 p 3

[TA SR and "(mh)"-signed report: "The Democratic Union's Procedure Verges on Electoral Fraud"]

[Text] Bratislava—The Slovak National Party [SNS] will demand that the Democratic Union's [DU] petition sheets be rechecked by the appropriate statistical unit. Namely, the SNS is convinced that the DU's procedure is wrong and verges on electoral fraud. If the invalidity of 20-30 percent of the "votes" on these sheets is proven, it will demand that the DU is not allowed to campaign in the elections. This became clear at yesterday's SNS press briefing. At a meeting of the electoral commission for the Bratislava electoral district, Movement for a Democratic Slovakia and SNS representatives—allegedly—ascertained that 20-33 percent of the more than 14,000 signatures on the Democratic Union's petition sheets were invalid. The same person had signed for the DU on all the petition sheets. In the opinion of the SNS, this involves manipulation and adapting the law. SME has found out from the DU Secretariat that the electoral commission for the Bratislava electoral district has approved its petition sheets. In a vote, 16 members of the commission declared them to be correct; five abstained. According to the DU, there are 13,000 valid signatures on the petition sheets (10,000 are required by law).

"If one of the two partners does not adhere to international agreements in mutual relations, it is only possible to talk about good neighborliness with difficulty," SNS Honorary Chairman J. Prokes stated in connection with the visit to Slovakia by Hungarian Prime Minister Gyula Horn. He described the endeavor by the Hungarian Republic to involve the minorities in the drafting of the inter-state treaty between Hungary and Slovakia as an attempt to legalize the Hungarian Republic's illegal policy of intervening in the Slovak Republic's internal affairs through the Hungarian minority in Slovakia.

[Bratislava SME in Slovak on 8 August on page 2, under the headline "The Democratic Union Refutes the Slovak National Party's Statement," carries a 300-word TA SR report on the DU's reaction to the SNS's claim about its petition sheets. This report carries the following statement by DU Deputy Chairman Roman Kovac: "Along with its list of candidates, the DU also submitted petition sheets of citizens supporting the DU's participation in the parliamentary elections. These sheets contain almost 15,000 signatures, while 10,000 are required by law. The Regional Electoral Commission for Bratislava

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

has scrutinized these petition sheets and, with its resolution, has confirmed that the DU has complied with all the legal requirements for entering the parliamentary elections; this is also borne out by the minutes from its session on Thursday 4 August. The statement by the SNS representatives cannot be taken seriously insofar as it casts doubt on the Regional Election Commission for Bratislava, which is made up of 16 representatives from the political parties, movements, and coalitions campaigning in the elections."]

Business Party Begins Regular SME Supplement

AU1108152194

[Editorial Report] Bratislava SME in Slovak on 1 August on page 13 publishes the first issue of a regular one-page supplement of the Party of Entrepreneurs and Tradesmen [SPZ] of the Slovak Republic. In a 500-word introductory "address to readers," signed by "your party," the SPZ announces that the one-page supplement will be published in SME every Monday and expresses "gratitude to the daily SME for having shown understanding and readiness to help the SPZ and entrepreneurs" in this way. According to the address to readers, the supplement "will provide information on the life of the class of businessmen and on SPZ activities. We will carry interviews with experts on current issues and will introduce to you the party's representatives and its candidates for the parliamentary elections. We are preparing a consultancy service for businessmen where you will be able to obtain information and solicit advice on how to proceed in solving your problems." In addition to the introductory address, the first issue of the supplement includes a list of addresses of SPZ district organizations, a report on the most recent SPZ congress, an interview with a Trebisov businessmen on the problem of unemployment in east Slovakia, and a 1,300-word interview with SPZ Chairman Vladimir Randa. In the interview, Randa criticizes tax and other legislation that, in his party's opinion, hampers the development of the private sector, and emphasizes the need for the presence of entrepreneurs' representatives in parliament.

The following boxed-in announcement is inserted at the top of the page: "This page is being prepared by the CORINT advertising agency. Address your contributions to Racianska 66, 831 02 Bratislava, telephone and fax 07/259 544." No name of a chief editor or another person responsible for the publication is given.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Defense Minister Keleti To Visit Belgrade

LD1108113494 Budapest Kossuth Radio Network in Hungarian 1000 GMT 11 Aug 94

[Text] The Ministry of Defense has confirmed that Defense Minister Gyorgy Keleti is to travel to Belgrade soon.

Since his appointment, the ministry's new leader has already held talks with his Romanian and Slovak counterparts. There have been reports on his plans to visit Ukraine. At his Belgrade talks—which are under preparation—Gyorgy Keleti is reportedly expected to sign, among other things, an agreement on the prevention of border incidents involving aircraft. However, this has not been confirmed by the Defense Ministry's spokesman, Lajos Erdelyi. Now you can hear him. Krisztina Antalffy is the reporter.

[Begin recording] [Antalffy] Is the press report correct that Defense Minister Gyorgy Keleti will visit Yugoslavia in the near future?

[Erdelyi] Yes, that is correct. This visit is part of the series of talks which started first with his Slovak then with his Romanian counterpart. There will also be talks with the Ukrainian defense minister, and talks with his Belgrade counterpart will also take place in this series of visits.

[Antalffy] Will the earlier border incidents, or the prevention of possible future ones constitute the focus of these talks?

[Erdelyi] I do not think that this will be the main topic of these talks. It is a question simply of establishing contacts, and it is in line with our foreign policy that we have to establish good relations primarily with our neighbors.

There were a lot of border violations when the civil war was raging along our borders. At that time the heads of the two countries' air defenses contacted each other and a quasi-agreement was concluded, according to which aircraft would not fly within a 10-km zone on both sides of the border.

Since then the number of border violations by aircraft have significantly decreased. These border violations have been similar to those on other borders as well. [end recording]

Privatization Commissioner Outlines Strategy

AU1108175594 Budapest FIGYELO in Hungarian 11 Aug 94 p 11

[Interview with Ferenc Bartha, government commissioner responsible for privatization, by Gizella Sovari; place and date not given: "What Will Happen to the State Assets—The Commissioner of Privatization"]

[Text] I would have preferred to prepare for new tasks, but the recent past has always interfered, said Ferenc Bartha, former chairman of the Hungarian National Bank. Now he has left the chairmanship of the Banque Indosuez Hungary for the not at all attractive position of privatization government commissioner.

[Sovari] The Privatization Committee that you created held its first meeting last week. What principles did you use to select the 16 participants, and what do you expect from these people?

[Barath] This is an advisory body and the goal was to achieve an as broad as possible clash of views. Accordingly, the committee members—in addition to the officials of the State Property Agency [AVU] and the State Property Management Corporation [AV RT]—include experienced people from the investors' side, party politicians, ministry representatives, independent researchers, employers, and employees—in other words, experts who well represent the various interests and differences in concepts and are able to filter the government's ideas.

[Sovari] Does it cause any problems that potential investors—for example, representatives of the Fotex and Co-Nexus companies and the European Bank for Reconstruction and Development [EBRD]—are also on the committee? Do they have any advantages from this membership if they appear as investors?

[Barath] No, because the committee only deals with political and strategic and partly methodological issues rather than concrete transactions. In addition to them, we continue to use domestic and foreign experts.

[Sovari] Drawing up the privatization strategy is a task for the near future. Has its outlines been formed yet?

[Barath] The essence of the strategy is that the chosen method should conform to the situation and type of the enterprises to be privatized. We wish to make better use of the capital market than before. One form of this is the establishment of investment funds. We wish to prepare the enterprises to be privatized for the change of ownership more speedily. In the interest of this, we would like to involve institutional capital investors.

[Sovari] Will reorganization be pushed into the background?

[Barath] The reorganization of enterprises will be applied in a narrower group and only at places where we cannot prepare the enterprise by using other privatization techniques. These are mostly weak companies struggling with crises, but that can nevertheless be kept functioning; however, individual decisions will have to be made. The investment funds that invest in the capital market rather than in a concrete enterprise can bring something new for the companies that are in a better or special position. As professional investors, they make sure that their assets bring an increase of value for the small investors. Four or five such funds would be set up as a new, supplementary measure; however, we also continue to rely on the domestic professional investors, our other partners, and the stock market.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

[Sovari] Are you preparing a separate program for privatizing the *big trade* banks?

[Barath] In my opinion, we have to act gradually here. Some banks—for example, the National Savings Bank [OTP] and the Budapest Bank—may be ready to be privatized, and for the others, we intend to draw up a detailed plan of action to establish the conditions for privatizing them as soon as possible.

[Sovari] Apart from the specially handled enterprises, can we expect changes of emphasis in the privatization of the other state enterprises?

[Barath] We will emphasize raising the capital and privatization for cash. Our goal is to find owners who have long-term interests and are able to improve the enterprises. We continue to support the application of Employee Stock Ownership Program [MRP] and MBO [expansion unknown] in the case of small and medium enterprises, and we would like management to have a bigger role in finding the good investors. This year, we have been forced on a restricted course because the privatization revenues are much lower than expected—especially the proportion of cash—although it is true that the change of ownership is progressing fast.

[Sovari] What will happen to the preferential share purchase program [KRP], the E-loan ["Existence" loan], and the compensation notes?

[Barath] Two actions have already been carried out in the KRP. It probably will not have an extensive role in the future because we would have to offer too good of shares for too little money. The investment funds are promising to be a better solution. The funds have to be made attractive for the small investors in such a way that they promise bigger profits than bank deposits, especially on the medium term. It is also important not to give advantages in the case of desirable enterprises. It is expedient to form the means and methods "made to measure" for the enterprises, and not hastily or hurriedly like it was previously done in the case of E-loans or the KRP.

[Sovari] There is a debate on the new asset management organization. When will it be established and in what form?

[Barath] At the moment, it seems clear that the new organization will be a joint stock company and actual owner on the basis of the AV RT and, rather than by fusion, it will be set up by using the AVU's still existing assets, with adequate reserves, and by completely overhauling the organization. After precisely defining the tasks, we will also expect AVU experts to assist us.

[Sovari] However, this special holding could clash with the law on economic associations on many points.

[Barath] This will indeed be a special organization; however, we do not want it to differ from the "normal" enterprises on the essential points.

[Sovari] Many people are worried that this super-holding *might* turn into a proprietor ministry....

[Barath] On the one hand, the size of the assets is constantly decreasing and, on the other, privatization is the essence rather than long-term ownership; therefore, it is more reasonable to set up one organization.

[Sovari] Would it not be better to use market organizations to do the marketing?

[Barath] We have already consulted many advisers and we will continue to do so. However, the ownership rights cannot be divided. It would be anachronistic to return some enterprises to the various ministries.

[Sovari] Has it been suggested that the now rather fragmented state assets, including the assets of the Treasury Asset Management Organization [KVSZ], could be concentrated into one organization?

[Barath] It would make sense to transfer the assets that belong to the KVSZ and which are waiting to be privatized to the new asset management organization. Actually, the latter will probably be set up soon after the privatization law is enacted.

[Sovari] The State Audit Office's [ASZ] report that was just been published strongly criticizes the operation of the AVU. Are you planning any urgent measures?

[Barath] We are planning quite a few measures. I think the ASZ report is realistic—and this is precisely why we needed a new concept.

Article Analyzes State Property Agency Deals

AU1108180794 Budapest FIGYELO in Hungarian 11 Aug 94 p 13

[Article by Zoltan Barotanyi: "Unrevisible?"]

[Text] A quick and effective privatization basically needs three conditions: sufficient funds, adequate laws, and a functional system of institutions. At least two of these conditions have always been missing in Hungary. Today, when two of these conditions are mostly given, we have an alarming shortage of sound demand. These findings have been confirmed by the State Auditing Office [ASZ] investigations regarding the pace of privatization so far and last year's activity of the State Property Agency [AVU].

It turned out, for example, that sound interest also expressed in cash availability emerged only in the case of 39 transactions out of more than 500 transactions carried out in 1993.

According to the ASZ, despite the fluctuations, the AVU capacity is adequate to the tasks ahead. The information system has improved considerably, as the AVU made great efforts to eliminate the shortcomings, and this is reflected in the numerous publications containing a multitude of figures, but we can still not talk about a uniform system of recording the state property. It is

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

already a positive development that the AVU succeeded in preparing its own property balance in 1993.

According to the ASZ experts, in the course of "privatization" in Hungary, the AVU board of directors gained a tremendous power that has been largely unknown in the history of the Hungarian economy so far. The facts that the AVU leaders are personally connected to the prime minister, their decisions can actually not be modified by legal means, and the AVU clearly does not have to observe its own regulations led to a situation in which, today, the AVU decisions are almost unrevisable. In addition, the AVU was also able to deviate from the stipulations of the current Property Policy Guidelines with tens of billions of forints. Therefore, the ASZ is rather skeptical regarding the possibility of modifying the contracts signed by the AVU, contracts that turned out to be unfavorable.

Another anomaly is that, although a system of competition emerged in the past three years, in many cases competitors "declared by the AVU" participated, or "outsiders" had to compete with them. Thus, the basic principles that placed the Hungarian privatization on business values could only be asserted in a very limited way. The tenders are generally taken by dozens of people, but real competition only exists in the case of every third tender.

Of course, the AVU alone cannot be blamed for the selling difficulties, because these difficulties also reflect the current state of our economy. Therefore, it is really not surprising that huge sums had to be sacrificed for marketing activity; about 1 billion forints were spent for this purpose in 1993. It is also true, however, that there are hardly any limits to making use of advisory firms. The concentration of the experts' firms is a characteristic process: Some 100 advisers were used in the course of reorganization or privatization of enterprises with considerable assets of national importance, but half of the experts' fees paid last year—about 600 million forints—only went to eight firms: two Hungarian and four foreign enterprises and two mixed enterprises in Hungary. It is also worth mentioning that 54 percent of the AVU's hard currency income of 25.7 billion forints is the result of the contribution of the advisory firms, and one-third of this is connected to four advisory firms.

The expenses of the privatization process continue to be considerable, but the ASZ regards as an achievement that the AVU "self-expense" decreased from 24 percent in 1992 to 20 percent in 1993. The issue of accepting guarantees is also a problematic one: In some 500 cases, the AVU accepted guarantees worth about 22.3 billion forints in 1993, and it also promised further billions for this purpose. Although its obligations are adequate to the internal regulations in force, the regulations themselves contradict the relevant stipulations of the LIV Law of 1992.

The system of goals has undergone several changes; however, one can nevertheless see no firm privatization strategy in the activity of the AVU. The redistribution of part of the income for reorganization purposes began in 1993, and this gives broad possibilities for subjective decisions. The AVU also had to take steps regarding the reorganizatin of enterprises into corporations. The massive bankruptcy danger forced the AVU to use a list of reorganizations. This turned to be quite interesting: Some 150 large-scale enterprises were suddenly declared as corporations at a meeting of the board of directors. ASZ officials regard the "additional forms" where the methods used have already caused serious anomalies as particularly dangerous regarding the drop in demand. At the same time, these officials admit that the main processes of privatization were not characterized by the aforementioned individual mistakes.

In any case, the ASZ will now place the document on the government's table: It is the government's turn to accept the proposals and work out a "control mechanism" of the expenses stipulated in the Property Policy Guidelines, because subsequent supervision can hardly guarantee that the distribution of income from privatization takes place in accordance with the decisions of the Hungarian Parliament.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Defense Commission Approves Budget Report

LD1108200194 Warsaw PAP in Polish 1452 GMT 11 Aug 94

[Excerpt] Warsaw, 11 Aug (PAP)—The Sejm National Defense Commission today unanimously approved a report on the execution of the state budget, in part concerning the Ministry of National Defense [MON].

As Deputy National Defense Minister Jan Kuriata announced, the MON budget in 1993 amounted to 38.5 trillion zlotys [Z]. In real terms, it was 3.2 percent lower that the MON budget in 1992; 1993 was the seventh year there was a decline in defense spending. Kuriata stressed that it resulted in the lowering of combat readiness in the Army. The degradation and decapitalization of equipment follows. Reserves of munition and fuels are being exhausted; military training has been reduced to a minimum. There is no money for purchasing modern weapons.

"The decision on increasing the MON budget has to be made at the highest state level," Kuriata said.

According to Kuriata, in order to make up for lost time, Z2,000 trillion are needed for necessary modernization of the Armed Forces during the next 15 years. At present, MON has been trying to cut spending. Work is under way on the improvement of a structure of expenditures to allow more money to be spent on equipment and training and less on the cadre (63 percent of MON expenditures last year). [passage omitted]

Sejm Approves Defense Budget

WS1208113294 Warsaw NOWA EUROPA in Polish 12-15 Aug 94 p 2

[Unattributed report: "There Were No Reservations; 1993 Budgets of National Defense and Justice Ministries Have Been Approved"]

[Text] *The Sejm National Defense Commission of the National Defense Ministry [MON] has approved a report on the implementation of the 1993 budget, whereas the Sejm Justice Commission adopted on Thursday part of the reports on the implementation of the budget in those aspects that pertain to the Justice Ministry, the Supreme Court, the Supreme Administrative Court, the civic rights spokesman, and the Constitutional Tribunal.*

MON's budget for last year was lower by 3.2 percent than the one adopted in 1992. The year 1993 was the seventh year in a row in which real declines in defense expenditures occurred. As Deputy National Defense Minister Jan Kuriata reported, this results in a decrease of the Army's combat readiness. *A depreciation and decapitalization of the equipment is taking place, we are running out of reserves of ammunition and fuels, while military training has been limited to the absolute minimum necessary,* the deputy minister said.

Justice Ministry revenue was 3.5 trillion zlotys [Z] in 1993 while its expenditures were Z9 trillion. *We do not have any major reservations about the reports presented,* said Aleksander Bentkowski (Polish Peasant Party) who is the Sejm commission chairman.

Central Bank Official on Money Supply, Inflation

WS1208110794 Warsaw RZECZPOSPOLITA in Polish 12 Aug 94 p 11

[Report by Anna Slojewska: "NBP on Interest Rates, Inflation, and Devaluation; Exchange Houses Create Money"]

[Text] "All in all, the money supply in July increased to 27 trillion zlotys [Z], that is, by approximately 4.3 percent in comparison with the 3-percent growth observed in June," RZECZPOSPOLITA was told by Witold Kozinski, vice president of the National Bank of Poland. Thus, since the beginning of this year, the money supply has increased by 17.6 percent.

Over the last month, the main source of the rapid money supply growth were net amounts of money coming from abroad, whose level increased by Z19 trillion. For the sake of comparison, in June the entire supply increase was approximately Z20 trillion, but the amount of money coming from abroad increased at that time by only Z2.5 trillion. Official gross foreign currency reserves in July were $5.75 billion, in comparison with $5.2 billion in June.

Net national assets, which increased in July by Z8 trillion, are, according to Kozinski, still under control. Thus, this will not be an obstacle for Poland to meet the executive conditions set by the IMF. In line with those conditions, net national assets should not exceed Z450 trillion by the end of September. At the present level—Z412 trillion—we still have enough room, Kozinski believes.

Reduction of Interest Rates—Unjustified

"However, as a result of the rapid increase in money supply, NBP can see no reason to lower interest rates," said the central bank vice president. "All the more so because, apart from high unemployment, economic indexes are satisfactory and it is not necessary to stimulate the economy," Kozinski believes. The GDP is increasing in real terms; inflation will probably not exceed the level of 30 percent, that is, it will be considerably lower than last year; the rate of investment increases is outpacing GDP growth. Aside from that, reserves of ready-made products have decreased and exports are on the increase. It is possible that in July we will have an active balance of commodity payments—after two decades the surplus was $70 million. Thus, I can see no reason why interest rates should be lowered, the NBP vice president says.

Devaluation—No Changes

"There are at least two reasons to lower the monthly rate of zloty devaluation from 1.6 percent to 1.5 percent,"

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Kozinski believes. First, the increase in foreign reserves is so great that decreasing the rate of devaluation should not curb exports; it may, however, curb purchases of foreign currency to a certain extent. Second, the rate of increase in industrial production prices, calculated for the entire year, shows a trend that is close to the zloty devaluation rate, approximately 19.8 percent.

Thus, the currency exchange policy would be neutral with regard to exporters. According to the vice president, a greater reduction is not necessary for the time being. Foreign currency reserves should not be drastically decreased—for example, due to the costs of implementing the operation of reducing debts that should be paid to commercial banks. The proposal to decrease the devaluation rate met with the objection of the minister of foreign economic cooperation. The finance minister conditioned his consent on one point: NBP should lower interest rates at the same time.

According to Kozinski, in the short term the increase in the net amount of money coming from abroad and the consequent increase in the money supply can be limited by open market operations; in the long run, however, it will stimulate inflation. Therefore, leaving the devaluation rate on the same level may bring about negative results, the NBP vice president believes.

Forecasts Concerning Inflation in 1995

The 1995 budget bill envisions that inflation will be at the level of 16 percent. Kozinski cannot say whether this plan is realistic. NBP will be able to present its own forecasts when it knows the intended level of direct financing of the budget deficit by NBP, Kozinski said. One can only speculate on the expectations of the Finance Ministry, on the basis of the information on the payment of NBP profits in 1995, which will be Z40 trillion. It is assumed that the profits transferred by NBP to the budget are revenues resulting from the servicing of the government's debt. In line with NBP calculations, no financing of the deficit by the central bank in 1995 yields a profit of approximately Z23 trillion—this follows from the state Treasury's servicing of the debts incurred in previous years. Each additional Z10 trillion of debt generates a profit of around Z1 trillion for the NBP in 1995. Thus, if the increase in the financing of the budget deficit by NBP was approximately Z30 trillion, just as it was this year, payments from the NBP profits would be at the level of approximately Z26 trillion. The sum of Z40 trillion shows that the finance minister intends to increase the direct financing of the budget deficit. With such plans, inflation on the level of 16 percent is utopia, Kozinski claims. In a memorandum to IMF both the Polish Government and NBP have committed themselves to decreasing the level of financing of the budget deficit by the central bank.

Results of Poll on Rate of Privatization

WS1208093994 Warsaw GAZETA WYBORCZA in Polish 12 Aug 94 p 17

[Report by "psk": "The Rate of Privatization"]

[Text] *It is the view of every fourth Pole that the rate of privatization in our country is too slow, while 36 percent of the Polish people are of the opposite view—so say the results of a poll conducted by Demoskop.*

The group of people who think that the rate of privatization is too fast, is dominated by women (40 percent), while it is predominantly men (29 percent) who complain about the process being too slow.

As much as 43 percent of the residents of rural areas think that privatization is proceeding too fast. This view is also expressed by over half (53 percent) of the unemployed, as well as by manual laborers (45 percent).

The opposite view, on the other hand, was expressed by 29 percent of the residents of big cities. "Privatization is going on too slowly," says every other owner of a company (49 percent), while every fourth such owner has no reservations.

The poll was conducted over the period of 15-18 July using a 969-person representative sample of adult residents of Poland.

Zych on Possible PSL Presidential Candidates

WS1208110894 Warsaw RZECZPOSPOLITA in Polish 12 Aug 94 p 2

[Report by Tadeusz Zieba: "It Is Still Too Early To Speak About a PSL Candidate"]

[Text] Jozef Zych, deputy speaker of the Sejm and a member of the Polish Peasant Party [PSL], stayed in Rzeszow yesterday. At a news conference, he stated that at its next session the PSL Chief Council would not yet decide who would be the party's candidate for the president of the Polish Republic [PR]. However, the presidential elections would certainly be one of the topics under discussion.

"PSL is too large a party not to think about such matters. Most members of the party are convinced that a PSL candidate should be designated sooner or later," said Zych.

Who exactly will be this candidate will be decided at the party's convention; however, no preparations have been made as yet to hold it. According to Zych, it is still too early to speculate about possible candidates. "Apart from myself, there are also several other persons who satisfy the conditions that are imposed on candidates for the post of the president of PR," he stressed. He also added that he had not yet thought about whether or not to take part in the internal party competition for this highest post in the state, because "there has been no such need for the time being." Anyway, he sees his niche somewhere else, in the Sejm, where he feels best as a lawyer, which he does not conceal.

Asked whether the present drought can cause a crack in the coalition, he replied that the coalition members had often proved that they are interested in strengthening

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

cooperation, and even in important disputes they try to take less adamant stands—in the interest of the coalition. Zych is convinced that the present coalition will survive until the end of this Sejm term.

Zych revealed that soon PSL would have its own press spokesman. This post has been offered to Pawel Popiak, editor in chief of ZIELONY SZTANDAR, PSL's press organ. "We hope that this will make it possible to increase the flow of information between the party and the journalists, about which people have at times complained," Zych said.

Debate on Sejm Members Becoming 'Professionals'

WS1208113194 Warsaw ZYCIE WARSZAWY in Polish 12 Aug 94 p 4

[Report by Piotr Smilowicz: "Occupation—Parliament Member"]

[Text] *Sejm deputies and senators should be well-paid professionals. They should also be empowered to control privately owned companies—suggest Sejm deputies.*

A draft law on executing the post of Sejm deputy and senator envisions the introduction of the institution of a professional parliament member. The draft law was debated by the Sejm Internal Rules and Sejm Deputies' Affairs Commission on Thursday.

Sejm deputies and senators would be entitled to remuneration at a level of four and a half times the average salary paid in six branches of the economy. Parliament members would be able to include the execution of posts into their overall work record. Sitting in parliament would then be equivalent to receiving unpaid annual leave from one's permanent workplace, which could last up to four months after the parliament mandate expires.

The commission, however, did not deal with these proposals because it thought that they require more protracted debate.

"We think that the legal provisions will be an incentive for a definite majority of parliament members to turn professional"—said commission chairman Ryszard Grodzicki of the Democratic Left Alliance.

The current situation is such that those Sejm deputies and senators who decide to give up their regular jobs for the duration of the parliament mandate, receive salaries which cannot exceed 8 million zlotys per month. Aside from that, all parliament members receive so-called allowances which are also 8 million zlotys per month.

The greatest controversy during yesterday's debate was spurred by a provision (which was adopted in the end) empowering parliament members to "demand information" on the activity of privately owned companies. Sejm deputies and senators would be completely unrestricted in determining whether activities of privately owned firms, partnerships, or foundations are in accordance with the legal system. They would also be empowered to initiate interventions in cases where they will receive complaints, for instance, about mass layoffs or refusals to pay employees their due salaries.

Some Sejm deputies expressed doubts whether these legal provisions do not conflict with the rules of protecting private property, and also regarding to what extent the provisions are in fact executable.

"In my view, such a legal provision on the possibility of interventions, is a kind of provision that is simply undoable in practice"—ZYCIE WARSZAWY was told by Grodzicki, who abstained during the vote. "One can intervene in state-owned enterprises, based on the Code of Administrative Procedures. This, however, does not apply to privately owned companies."

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Tinca Calls For Speedy Defense Industry Recovery

AU1108191194 Bucharest ADEVARUL in Romanian 9 Aug 94 p 2

[Report by Nicolae Militaru: "We Must Rely More on Ourselves"]

[Text] The budget allocated this year to the Army and other important state institutions is paltry. There were quite a few "sirens" in Parliament who, in the well-known tune of their political songs, demanded that the defense budget be doubled. However, to claim that today's Romania can immediately double its defense expenditures immediately in a meeting, be it parliamentary one—at a time when other social activities are on the verge of a precipice—is cheap demagoguery, which hurts and insults the intelligence of the officers and soldiers of our Army. The fact that Defense Minister Gheorghe Tinca did not reply to these "political songs"—an interview published in the latest issue of the OBSERVATORUL MILITAR [MILITARY OBSERVER] newspaper reads—has led to the appearance of all sorts of press articles, which made rather surprising allegations, from the point of view of truth and objectivity, about the military institution. "The respective articles," Minister Tinca said, "claim that the military institution is full of anachronisms, that the leading positions are occupied by activists of the former Higher Army Political Council, and that I have created small cliques in the ministry, which are fighting each other. How can a civilian create, in only four months, such strong cliques that are fighting each other, when we are dealing here with a hierarchical military structure based on traditional rules and interests?"

Another accusation brought against the minister of defense is that he has shown a lack of interest in the soldiers and troops. Again, this allegation is quite baffling and surprising. Mr. Minister Tinca said that, in the short time since he has been appointed to head the Ministry of Defense, he participated in various actions carried out at all Army levels and he has scheduled at least two weekly outings to the troops in the field, where he talks to soldiers and commissioned and noncommissioned officers from all categories of arms. On the basis of these discussions and certain actions undertaken by experts, reports on the suicide rate in the Army were completed and the situation of the aviation units was examined, thus reaching certain conclusions that could become valuable working instruments in the future.

The minister of national defense then said that, although we lack the necessary resources right now, we must find the money to modernize the Army and its equipment. We must rely more on our own potential. In this respect, the political factors at the governmental level, including the Ministry of National Defense, or nongovernmental level should not display an indifferent attitude toward the requirements of the defense industry. Indeed, the defense industry must reach a competitive technical level because the current one leaves much to be desired, but it must be helped along the way. The development of the defense industry is a national cause. It is pointless to postpone the recovery of this industry by thinking that we can thus attenuate the toughness of the inherent social effects of the process. We are at the end of the gradual approach, Minister Gheorghe Tinca said in the interview published in OBSERVATORUL MILITAR; the moment of truth is nigh.

Ex-King Awaits Negotiation Results Before Visit

AU1108152294 Bucharest Radio Romania Network in Romanian 1300 GMT 11 Aug 94

[Text] In a communique received by fax at our editorial office, the Civic Action, Anastasia, Iuliu Maniu, Memoria, Rene Radu Policrat, and the Civic Society Foundations, the Patria [Fatherland] Group, the Truth About 23 August Committee, and the Future Romania Association—which invited Romania's former sovereign, King Mihai I, to participate in the scientific events pegged to the 50th anniversary of Romania's exit from the Nazi alliance—announce that they have received an answer from Mr. Gheorghe Antoniade, head of the Royal House. The answer expresses gratitude for the invitations extended to the king and reiterates his majesty's full support for the initiatives undertaken to restore the historic truth on 23 August 1944. The answer of the Royal House points out that, in his desire to accede to the numerous invitations to come to Romania, his majesty decided to leave it to the personalities and organizations involved in the preparations for the 50th anniversary of the 23 August 1944 act to negotiate the granting of the visas which the authorities deem fit. In these circumstances, no commitments will be made and no conditions linked to the visit will be accepted without the prior agreement of his majesty. When these discussions have a favorable answer and, after a prior understanding among themselves, the parties extending this invitation have perfected the organization of the trip, his majesty will take the necessary steps to come to Romania—the answer signed by Mr. Gheorghe Antoniade, head of the Royal House, concludes.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Ganic, Rose Discuss Demilitarization of Sarajevo

AU1108195594 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 11 Aug 94

[Text] Ejup Ganic, member of the Presidency of Bosnia-Herzegovina and vice president of the Federation, and General Michael Rose, UNPROFOR [UN Protection Forces] commander for Bosnia-Herzegovina, today again talked about opening the blue roads and the demilitarization of Sarajevo. After the talks, Dr. Ejup Ganic gave a brief statement for journalists:

[Begin Ganic recording] We [word indistinct] the problems of the demilitarization of Sarajevo, the opening of the blue roads, implementing the plan of the Contact Group. We agree that we should open the blue roads and (?fully) agree that [word indistinct] demilitarization of Sarajevo within the framework of the Contact Group's plan. [word indistinct] [end recording]

Ganic Responds to Rose's Air Strike Warning

MS1108130994 London ITV Television Network in English 1800 GMT 10 Aug 94

[Interview with Ejup Ganic, Bosnian vice president, by Zeinab Badawi on 10 Aug; Badawi in studio, Ganic in Sarajevo: from the "Channel Four" newscast—recorded]

[Text] [Badawi] I've been speaking to the Bosnian Vice President Ejup Ganic who's in Sarajevo. Given General Rose's warning, did he accept that Bosnian Government forces had committed breaches of the UN exclusion zone?

[Ganic] Well, the comments by General Rose are more publicity statements than arguments, and I understand that he—in order to work with Serbs—has sometimes to distribute the guilt between the sides, even if there is no guilt, from the other side. But I hope he will continue to work to open the new routes, that's what should be done, because it is only 500 meters—the routes to the airport and it is controlled by the UN and General Rose has a NATO jet so he can open that road if he wants to.

[Badawi] So are you denying that your forces have carried out any serious breaches in the exclusion zone around Sarajevo?

[Ganic] Yes, that is correct, we did not violate any rules imposed by the international community, and I informed General Rose this afternoon about that. I received a report from the field and the Canadian troops that were in Visoko, which confirmed that our troops did not shell in the area.

[Badawi] Mr. Ganic, you have an offensive in the north of the country against the Bosnian Serbs, it could be argued that you simply want to continue the war, and is there any evidence that you are actually provoking the Bosnian Serbs?

[Ganic] Well, first of all we have some clashes with Karadzic troops in the area you mention, you know we are trying to hold the advances and we are resisting all the time. We don't have offensive weapons as you know we only have simple rifles. But as you know, you hear different comments, we will continue to fight for peace, we accepted peace plan by the counter group, Karadzic refused, so now everything is in the hands of the international community.

[Badawi] But the point I am putting to you are claims that the Bosnian Government forces are actually trying to provoke the Bosnian Serbs by your shelling.

[Ganic] That is not correct, we are defending ourselves and it is true that from time to time we do manage to push them reasonably well, and will continue to do so whenever we have a chance, and whenever they try to push us.

[Badawi] But the truth of the matter is that your offensive in the north is going rather well, and therefore you have decided that it is in your interest to continue fighting, so why are you continuing to fight?

[Ganic] Well, we accepted the peace plan, Karadizic refused the peace plan, those are the occupied areas where the population has been expelled, and we do have clashes there with them, that is the area where our citizens used to live. It would be good if we could recover that area peacefully, if not, we will resist. So we did not take the offensive, we prevented offensive, and in the meantime there is a small-scale battle and we are not doing.... [pauses] we are doing reasonably well.

[Badawi] How do you think the Contact Group will react to the continuing hostilities in Bosnia, particularly on the Muslim side which you say is defensive, but others say not?

[Ganic] Well, let's keep each others opinion. But the Contact Group works very very hard. They came up with a plan, it is not just a plan for us, it rewards the aggression, but we accept it for the sake of peace. Now they have a plan, Karadzic laughs and ignores the plan, so they have to do something to force him to accept the plan, otherwise the plan will evaporate. So they better do something specifically, something physical or they should talk to Milosevic to close the border between Bosnia and Serbia and to withdraw this military network from Bosnia and to recognize Bosnia. And in that case they can count on his cooperation, but so far we have seen nothing, so we are waiting for the international community to take action.

Abdic's Troops Regroup, People Return to Kladusa

LD1108134794 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 11 Aug 94

[Text] Rob Annink, the UNPROFOR [UN Protection Forces] military spokesman in Sarajevo, confirmed

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

today that UN representatives are continuing their mediation mission in an effort to stop further fighting between Abdic's forces and the [Bosnia-Herzegovina Army] 5th Corps. According to him, negotiations are still in progress, and there are no indications at present that fighting could die down.

The French blue helmets in western Bosnia reported that Abdic's army has somehow managed to regroup. Soldiers from the 6th Brigade [of Abdic's army] who fled before the Bosnia-Herzegovina Army assault to the Serb-occupied parts of the Republic of Croatia have returned to Velika Kladusa. The 5th Corps is not advancing at this time.

Abdic on Cazin Situation

AU1108154594 Zagreb VECERNJI LIST in Serbo-Croatian 11 Aug 94 p 8

["V.L."-initialed report: "Trzac Neither Fell Nor Was Liberated"]

[Text] Velika Kladusa—What is happening on the territory of the autonomous province of western Bosnia? How much truth is there in the claim by UNPROFOR [UN Protection Force] that Fikret Abdic's army is joining the [Bosnia-Herzegovina Army] 5th Corps en masse, and that the population of the Cazin Krajina is crossing into Croatia en masse? Is it true that Velika Kladusa and some 100 of its villages are about to fall? Thanks to special connections, we asked Fikret Abdic, leader of the autonomous province of western Bosnia, for answers to these questions.

"We assessed that there would be too many civilian casualties in the fighting for the town of Trzac—which is the most populated settlement in the Cazin Krajina with some 10,000 people—so we decided to evacuate. The people have been moved in an organized fashion across the Korana River into Croatia, and they will stay there until the attacks by Alija's [Izetbegovic] mujahedin cease. Our armed forces have pulled back to Johovica and Sturlic, we have straightened out the entire front line to make it more easily defensible, and now we have dug in. Therefore, Trzac did not fall, nor—as some media have reported—was it "liberated."

Abdic believes that Alija's extremists have used all forces available against the defense of the Autonomous Province of Western Bosnia, but the only thing they will achieve is to burn and loot Muslim villages, and particularly the most populated and wealthiest town of Trzac.

"I am surprised that the world has not reacted to the events in western Bosnia, and to the bestial attacks on innocent civilians. We have lived here and fought here for the kind of life that is envisaged by the Washington Agreement. That is why a year and a half ago we distanced ourselves from it all by forming the autonomous province. We are sorry that the Croatian people, with whom we have always had close and friendly relations—and even worked hard on accepting them on our territory during the war in 1991—have in a way turned their backs on us, and changed their minds about us, now that we are going through the hardest of times," Fikret Abdic said.

Abdic To Meet Army

AU1108190194 Paris AFP in English 1843 GMT 11 Aug 94

[Text] Zagreb, Aug 11 (AFP)—The UN Protection Force [UNPROFOR] in Bosnia expressed fears Thursday for civilians in Bihac if local peace talks fail, following the rout of a rebel Moslem leader by Bosnian Government forces.

"We are trying to avoid some tragic denouement," said UNPROFOR spokesman Michael Williams, expressing concern for the civilian population of Velika Kladusa north of Bihac, the headquarters of Fikret Abdic. Hundreds of people fled there Tuesday before the advancing Bosnian Army.

Meanwhile, Abdic was due to meet with representatives of the Bosnian Army, under the auspices of the French UN force based at Bihac, the spokesman said.

Williams said that for the moment the positions of both parties were still at odds, and feared a "worrying scenario" if the fighting goes on.

The meeting was set up by UNPROFOR's head of civil affairs, Sergio Vieira de Mello, who met Thursday with Abdic at Velika Kladusa to convince him to begin talks in a bid to avoid further bloodshed.

UNPROFOR could be faced with a massive exodus of the population, and shelling of Velika Kladusa, said the spokesman. "It's clear that Abdic's forces are not in a strong position," he said.

Several thousand troops and civilians who fled the Bihac region Monday to seek refuge in Krajina, the Croatian region under Serb control, went back to Velika Kladusa late Wednesday, the spokesman said.

Serbs, Abdic Reportedly Continue Attacks in Bihac

AU1108190394 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 11 Aug 94

[Text] Following a relatively calm morning, the joint aggressors in the afternoon continued to attack the positions of the fighters (of the 5th Corps) on the Buzim, Bosanska Krupa, and Bihac sections of the battlefield, as Mirza Sadikovic reports:

[Begin Sadikovic recording] (?They have madly) shelled the general Buzim region. On the Grmusko-Srbljanski plateau, there is an intensified activity of snipers (?and of) antiaircraft weapons.

Along the lines of separation, including the remainder of the paramilitary formations of war criminal Fikret

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Abdic, provocative activities in several most extremist (?wasps' nests), particularly in Johovica, where [words indistinct] the self-proclaimed 5th and 6th Brigades of the so-called National Defense.

The police regime of Fikret Abdic's [words indistinct] headquarters is not allowing the fleeing and expelled citizens of Velika Kladusa, as Abdic continues to manipulate them. [sentence as heard]

They are still trying to present themselves as peacemakers and occasionally appear in the Serbian media. It is important to note that they are seeking the halt of war operations in panic. As he said (?via) his private Velkaton Radio from western Bosnia, it is necessary to solve the fate of hens on the farms along the lines of separation. Therefore, once again, people are not important to him. [end recording]

Silajdzic Says West Lacks 'Political Will'

AU1208091494 Split SLOBODNA DALMACIJA in Serbo-Croatian 6 Aug 94 p 9

[Interview with Prime Minister Dr. Haris Silajdzic by Zdravka Soldic; place and date not given: "There Will Be No Peace in Bosnia-Herzegovina Without a Balance of Power"]

[Text] Even the most pessimistic saw in the Contact Group plan the greatest way out of the Bosnia-Herzegovina crisis, which until then had seemed hopeless. However, thanks to the Serbs and their Orthodox Russian brothers, the chances for the contact group's activities to bear fruit are becoming slimmer and slimmer.

We asked Dr. Haris Silajdzic, Bosnia-Herzegovina prime minister and the main Bosnia-Herzegovina negotiator with the international forces, what he expected of the contact group, how he saw the untying of the Gordian knot, and some other questions.

[Soldic] Mr. Silajdzic, how would you explain the decision of the contact group to give Karadzic's Serbs another week to reexamine their decision?

[Silajdzic] It confirms the inertia, indecision, and unreadiness of the key international forces to take a serious approach to implementing all the measures contained in the contact group plan, including measures that involve the use of force. The final deadline is the final deadline, and if the contact group itself does not abide by it, it will inevitably lose credibility. This has already been felt in the activities of the "Pale leaders," who have demanded another meeting with the contact group. Their intention is to get the contact group into an infinite series of meetings, and to make everything another "Geneva," the familiar scenario.

[Soldic] The contact group presented the conflicting sides with a clear plan for sanctions and what was in store for them if they did not accept the plan was explicitly stated. However, I see that some of the ministers who proposed the plan, for instance, Kozyrev, do not think that sanctions are good. He has even stated that the lifting of the arms embargo imposed on the Bosnia-Herzegovina Federation opens the possibility for a new world war!

[Silajdzic] History supplies many examples to support the claim that there is no peace without a balance of power. The aim of lifting the arms embargo imposed against the legal bodies of the Republic of Bosnia-Herzegovina was precisely to achieve such a balance that will result in peace. The embargo, which has for over two years deprived us of the right to defend ourselves efficiently, has neither prevented the war nor brought peace. On the contrary, it has only encouraged the aggression. It is obvious that a different "remedy for this illness" should be used. Mr. Kozyrev knows all this very well. However, his statements are a result of the internal situation in Russia. He obviously did not want to fall behind the statements issued by some leaders of radical circles in Russia. It is in this light that Minister Kozirev's statement should be viewed.

Ominous Signs

[Soldic] Do you believe that this group is capable of finding a solution for Bosnia-Herzegovina?

[Silajdzic] The contact group consists of powerful countries, and the issue is therefore not capability; they certainly do have such capability. The issue is primarily the presence or lack of the political will to resolve the problem in an appropriate way. The question is whether the leading Western countries take seriously all the repercussions that the aggression against the Republic of Bosnia-Herzegovina could have, or if they believe that this is a "minor" local war that only needs to be contained so that it does not spread. It seems there is still no awareness of the danger that this model may soon be applied in other places. Giving in to the aggression against Bosnia-Herzegovina has gradually changed the political mentality of Europe and the wider international community. New "rules of the game" are being created. All this has influenced existing tensions, and it will surely reflect on future relations. It is simply becoming a symbolism of a kind, with ominous signs. I do not know if the leading statesmen of the West are prepared to project the consequences of the Bosnia-Herzegovina crisis on the future, instead of making short-term moves on a daily political level. Still, I do not think that you need to be a political genius to understand the long-term danger that this precedent represents.

[Soldic] What is your opinion of Milosevic's appeal to the Bosnian Serbs to accept the latest international peace plan?

[Silajdzic] The appeal does not have any great significance in itself. If the Belgrade regime really wants to stop the aggression against Bosnia-Herzegovina, it can do it

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

efficiently by recognizing Bosnia-Herzegovina and accepting international controls of its borders with Serbia.

The Serbs Are Buying Time

[Soldic] What is your position on the demands of the self-proclaimed assembly of the Bosnian Serbs concerning "continuing the coordination of the territorial division maps in the interests of the Serbian people, the status of Sarajevo, the discussion of the issue of the 'Serb republic' having access to the sea, and the right to self-determination"?

[Silajdzic] Continuing discussion of the contact group plan, which we have accepted unconditionally, is out of the question. We have accepted the plan as the price for peace, although it is not just as it rewards the aggressor. The Pale proposals for the discussion to be continued are aimed at "buying time," and they are trying to preserve the status quo. We cannot discuss that.

[Soldic] Is it correct that, under the contact group plan, Bosnia-Herzegovina will retain its internationally recognized borders for two years, after which the Serbian regions would be given the right to a referendum on separation or staying in the Federation?

[Silajdzic] The Contact Group plan does not question the internationally recognized borders and the international integrity of Bosnia-Herzegovina. We have had no discussion of this with the contact group, nor are we prepared to have such discussion.

[Soldic] It is still unclear what military measures against the Bosnian Serbs the contact group intends to take? In your opinion, what would be the best solution for the Bosnia-Herzegovina Federation?

[Silajdzic] I agree that not everything concerning the military measures has been clarified as yet. It is certain that it has been anticipated for the security zones to be widened and protected more efficiently, including the involvement of air power. Measures concerning the control and protection of the borders of Bosnia-Herzegovina, which are the main problem, were again not stipulated. The inviolability of borders is the basic principle on which the system of relations in Europe is based. There can be no peace in Europe without it. The contact group has, therefore, failed to determine measures for the control and protection of the international borders of the Republic of Bosnia-Herzegovina. This is again a question of the lack of political will to implement the resolutions by force if necessary. The principles speak about what the international community would like to be, and practice shows what it is.

Silajdzic, Iranian Ambassador Discuss OIC Plans

AU1208065094 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 11 Aug 94

[Text] Dr. Haris Silajdzic, prime minister of Bosnia-Herzegovina, today received (Mohammad Edat Zekiriyan), ambassador of the Islamic Republic of Iran to our country. At the meeting, the results of the meeting of the contact group of the Organization of the Islamic Conference [OIC] held at the level of foreign ministers in (?Geneva), as well as about further actions that the [word indistinct] Countries Organization plans [words indistinct] were discussed. Issues of joint importance, including humanitarian (?aid) were also discussed.

Karadzic, Martic Hold News Conference 10 Aug

LD1108223194 Sarajevo Radio Republike Srpske Program for Abroad in Serbo-Croatian 1730 GMT 11 Aug 94

[News conference by Srpska republic president Radovan Karadzic and Milan Martic, president of the Croatian republic of Serb Krajina, with unidentified correspondents in Zvornik on 10 August—recorded]

[Text] [Correspondent] Mr. President, after having met with Martic, do you believe we are now closer to unification with the republic of Serb Krajina [RSK]?

[Karadzic] This possibility has always existed for us. We are more concerned right now about the basics than the formalities. As the Assembly has consented to, we would suggest immediate unification with Serbia and Montenegro into a single Serbian state, and we are quite certain we would get international recognition within a period of five to six months. Even without formal unification, we are essentially one nation, one unity, one state. All our laws, all the laws on Serbian territories, are common laws. The educational system is the same, for the simple reason that the Serbs are a nation learning from the same textbook and shaping itself in the same way.

[Correspondent] Mr. Martic, can we hear what was concluded today?

[Martic] With regard to the people of the RSK and their leaders, we are aspiring at this point in time to be a factor of stability and not to allow a split, because the enemy can only beat us by dividing us. We do not want to be party to a rift. We want to achieve the union of the Serbian people, and it is to this end that we are here today. Until the present disagreement is overcome, I believe that everyone will understand that this is inconvenient for the survival of the Serbian nation.

[Correspondent] Can one expect at least some indications about the lifting of the blockade of Yugoslavia?

[Martic] As far as we are concerned, we will never disrupt transit through the Srpska republic, whatever is in transit for the RSK. As for the blockade of Yugoslavia, according to us, there are no indications that this will be lifted. We understand that this did not happen on the spur of the moment and in a fit of anger. We suppose it happened as a result of a long-term political calculation. We are preparing [words indistinct] to survive [words indistinct]

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

[Correspondent] Mr. President, some are saying that an inter-Serbian conflict is possible. What do you say to that?

[Karadzic] That is out of the question. I do not believe it would come to that, to an inter-Serbian conflict. There is no chance of that. A few days ago we said ourselves that a mother has the right to beat a child, while a child has no right to raise its hand against its mother. We still consider Serbia as a mother country, and our state is part of this country. Regardless of who is now angry with us or who understands us in Serbia, we know that if the people in Serbia knew the whole truth—if they knew the significance of this plan by the Contact group—90 percent of them would realize why we cannot accept it. If they knew how dangerous it all is for Serbia to have NATO troops deployed on the Drina River on the border with Serbia—which would continue with the humiliation of Serbia and the Serbian leadership—100 percent of the Serbian people in Serbia would be for us.

We know what we are doing, and we are convinced we will win. We are convinced that [word indistinct] accept it, unless everything changes in a referendum to such a degree that it becomes safe for us. A conflict, however, is out of the question [words indistinct]. This is one nation, and I cannot see who would be capable of assaulting whom.

[Correspondent] In light of the current situation, can we expect some new political moves?

[Karadzic] Let me tell you, first of all, starting off from our respect for the interests of our nation, we have arrived in order to clarify—if there are any, but I see there are no differences—and also to give our support for this initiative, to make a proposition to others, both in writing and publicly, to proceed as soon as possible with the unification of all Serbs. I will also take this opportunity to say that this territory has been administratively ruled by others, by our enemies, over the centuries. It is our historic responsibility to finally oppose this, to do everything in our power to prevent this from happening in future.

[Correspondent] The people in the Srpska republic and in the Republic of Serbia are impatiently awaiting the normalization of these relations. What is your prediction?

[Karadzic] I think that the two peoples will never disrupt their relations. We know—and we have telephone calls from the people in Serbia where the telephone lines are still working—they are coming or sending messages. The people will not start a quarrel. We, too, have no intention of starting a quarrel with the leadership. It takes two to quarrel, and we do not want a quarrel.

[Correspondent] What is your message to Serbs outside the country—in America, Australia?

[Karadzic] I can thank them for remaining Serbs, despite the circumstances in which they live. They are among the best Serbs. They could have succumbed to comfort and luxury, but they have remained commendable Serbs *despite their comfortable lives. We have their full support.*

They worry our worries. They dream our dreams and have our wishes, etc. I can tell them not to worry about these disagreements in the leadership. The Serbian people are closer to victory than they ever were because of the highest degree of unity. I think we will succeed in achieving our goals and tasks. We will succeed only if we want to, because to succeed is to want to. We do want to succeed. The people as a whole no longer wish to be divided by someone's move by a pen or by a hand.

Today we are both closest to and furthest away from our centuries' long goals. If we do not achieve them today, we never will. That is why we must not let this important historic moment slip away, and we must take full advantage of the opportunities that lie ahead.

Serbian Combat Operations Noted Around Sarajevo

AU1108151094 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 11 Aug 94

[Text] The entire morning, [words indistinct] the enemy has been intensifying combat operations along the entire line of separation around Sarajevo. The Chetniks have been launching rifle grenades from (Tresnjev Do) on Mijatovica Kosa, from Grbavica on Vrbanja Most, and from Mala Kula on Grdonj. Antiaircraft machine gun fire is being opened from Orlovac on (Pamina) Kula.

Movements of the aggressor's (?forces) on well-known directions have become more frequent. Six crates containing 82-mortar shells have been unloaded from [word indistinct] trucks at Zlatiste. This has been reported by 1st Corps Information Service.

Serbs Return Howitzer, Retain Cannons

AU1208112594

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 1000 GMT on 12 August carries in its regular 11-minute newscast two reports updating the fighting in the republic.

Mirudin Aldobasic reports from the Doboj front and says that "Karadzic's Serbs overnight and early this morning used tanks, howitzers, and other heavy artillery to shell the villages in the area of Tesanj and the free territories of Doboj and Teslic. The chetniks from Mt. Ozren and [name indistinct] overnight also attacked the defense lines. Overnight and early this morning, the Serbian extremists targeted wooded areas in the Tesanj, Doboj, and Teslic region with incendiary ammunition in an attempt to kindle large-scale fires."

The studio announcer cites a report from the 1st Corps Information Service and says that "chetnik snipers in the Sarajevo area were active throughout the night. Intense

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

small arms fire was also reported along the demarcation line, while the enemy fired portable rocket launcher shells at the defense lines and suburbs. In addition to the continuous movement of military vehicles, the chetniks last night once again seized a howitzer and two 76-mm cannons in Ilidza. We have learned that they returned the howitzer, but they are still negotiating the return of the cannons."

Serbs Respond to Croatian Fire Near Dubrovnik

LD1208115994 Belgrade TANJUG Domestic Service in Serbo-Croatian 1127 GMT 12 Aug 94

[Text] Bileca, 12 Aug (TANJUG)—The Herzegovina Corps Command announced today that Serb units last night responded to Croatian attacks with fierce fire on regular Croatian Army positions in the occupied parts of the municipality of Trebinje and in the border area adjacent to Dubrovnik.

The Croatian Army positions were hit by antiaircraft weapons and several artillery shells. This decision, it was announced, was taken after the Croatian Army on several occasions targeted Serb villages in the (Zubac) region, the Trebinje forest, and Popovo Polje.

After Serb units responded by firing at the enemy positions, the actions of the Croatian side ceased, and it has been quiet on this part of the battlefield since last night, it was announced.

The announcement does not mention any possible consequences of these actions.

Croatian radio reported this morning that Croatian President Dr. Franjo Tudjman sent a letter in this connection to UN Security Council Chairman Yuliy Vorontsov.

Serbian Red Cross on Effects of FRY Blockade

AU1108161494 Belgrade BORBA in Serbo-Croatian 11 Aug 94 p 2

[BETA-attributed article: "Food Only for August"]

[Text] Pale—Svanimir Djokic, secretary of the Red Cross of the Srpska republic, said yesterday that the Red Cross of the Srpska republic had not received a single delivery of humanitarian aid since the start of the blockade of the "eastern border of the Serb republic."

Djokic said that no reply had been received to the protest note sent out by the Red Cross of the Srpska republic to the Governments of Serbia and Montenegro because two trucks with humanitarian aid had been turned back at the Karakaj crossing near Zvornik.

"The punitive measures imposed by the FRY against the Serbian people west of the Drina River are mostly hurting 450,000 refugees and 600,000 socially endangered civilians in the Srpska republic," Djokic said in a statement carried by SRNA.

He added that aid in food would be distributed to the population of the Srpska republic from reserves, but they would only cover "this month."

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Tudjman Protests to UN About Dubrovnik Attacks

LD1108184494 Zagreb HTV Television in Serbo-Croatian 1730 GMT 11 Aug 94

[Text] Croatian President Dr. Franjo Tudjman sent a letter from Brioni today to the chairman of the UN Security Council, Yuliy Vorontsov, in connection with an attack on the Dubrovnik area. The letter, whose unofficial translation from English we are now broadcasting, says the following:

Your excellency, the Bosnian Serb army this morning again carried out a serious act of aggression against the Republic of Croatia in the area of Dubrovnik. Seven explosions were registered in the area of Cilipi [Dubrovnik] airport. This is the second attack on the area of Dubrovnik in the past two weeks. The Bosnian Serb army shelled the area of Dubrovnik on 24 July when 52 detonations were registered. The attacks on Dubrovnik, a city that under the UNESCO charter belongs to the world heritage, have frequently been launched from the part of Bosnia-Herzegovina controlled by the Bosnian Serb army. This act of aggression, following the attack on 24 July, could seriously threaten the contact group's efforts in all respects. The use of the Bosnian Serb army against the territorial integrity and sovereignty of the Republic of Croatia represents a huge threat to the Zagreb cease-fire agreement concluded on 28 April. I am therefore asking the members of the Security Council to examine this situation without delay and give it their complete attention.

The shelling of Dubrovnik from the territory of the Republic of Bosnia-Herzegovina highlights the position that the processes of searching for a solution for Bosnia-Herzegovina and Croatia cannot be separate, but can only be parallel, through diplomatic efforts by the contact group which Croatia completely supports, but also through other measures, such as the supervision of borders of the Federal Republic of Yugoslavia, made up of Serbia and Montenegro, from the border between Hungary, Serbia, and Croatia down to the southern border between Croatia and Montenegro. This obvious use of force against the Republic of Croatia calls for the Bosnian Serbs to be treated in the same way as the Knin authorities are treated on the occupied territories of the Republic of Croatia. [sentence as heard] Members of the Security Council cannot ignore the relation between the Belgrade authorities and the authorities on the occupied territories of Croatia, because the latter obviously still cooperate with the Bosnian Serb authorities.

The Croatian Government will no longer be able to tolerate the acts of aggression by the Bosnian Serb army against the Dubrovnik area, and hence I am again calling on the Security Council to examine this issue with due attention.

[Signed] Croatian President Dr. Franjo Tudjman.

Serbian Officer Discusses Refugees' Blockade

AU1108150594 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 11 Aug 94

[Interview with Colonel Vojislav Stojkovic, deputy commander of the Slavonija-Baranja Corps of the Serb Krajina army, by Vladimir Nikolic; place and date not given—recorded]

[Text] [Nikolic] Colonel Stojkovic, you have just returned from the negotiations with the Croatian side. What news do you have?

[Stojkovic] As you know, a meeting was scheduled for 1000 today in Sector East, on the Sarvas-Nemetin crossing. At the given time the Serbian delegation arrived, as did the command of Sector East, led by Colonel (?Bore), and (?Korvin), head of the civilian department. They came with their associates. However, the Croatian delegation never turned up, and the explanation we got from UNPROFOR [UN Protection Force] was that the Croatian refugees on the Nemetin crossing blocked passage to the Croatian military delegation, so that they could not approach the checkpoint. They turned back to the command of the Osijek military district.

[Nikolic] Is it possible that the Croatian refugees are blocking not only UNPROFOR but also their own official delegation?

[Stojkovic] We asked the UNPROFOR officials the same question, and Colonel (?Bore)—a Belgian who is currently in charge of the sector—believes that it is part of the Croatian side's tactics. However, he still has some reserves. On the other hand, Mr. (?Korvin), the chief of the civilian department for Sector East, said that he did not believe that civilians could prevent a high-ranking military delegation from arriving at the talks. He said that he knew of no serious country in the world where such a thing could happen.

[Nikolic] Did you discuss anything with the UNPROFOR representatives?

[Stojkovic] They, too, are dissatisfied and surprised. I think that we took this opportunity to inform them about our views concerning the blockade. We think that the entire blockade, allegedly by the refugees, was planned by the Croatian Government, and that it has several aims. One of them is to deploy their units for aggressive activities, which they have been announcing for September. We remain open to further talks. This was the first time since the cease-fire agreement was signed at the beginning of April—end of March—that the Croatian delegation failed to turn up for negotiations. This clearly speaks about their future intentions, to act according to their aggressive military option. UNPROFOR has asked us to remain consistent with our option for negotiations, and we agree with that. However, we also said that our threshold of tolerance was not unlimited.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Minister Complains of UNPROFOR's 'Conduct'

AU1208091794 Zagreb VECERNJI LIST in Serbo-Croatian 4 Aug 94 p 5

[Report by Z. Grgurinovic: "A Stern Warning to the Ukrainians"]

[Text] Sisak—Croatian Interior Minister Ivan Jarnjak, prompted by problems in UNPA [UN Protected Area] Sector "North," and particularly in Gornje Mokrice, visited Moscenica, Gornje Mokrice, and Turanj on Wednesday [3 August].

During his visit to the Sisak area, he was welcomed by Vladimir Milankovic, head of the Sisak and Moslavina Police Administration, who gave him details of the situation on the ground with special reference on the bitterness of the inhabitants of Gornje Mokrice, a village on the right bank of the Kupa, who will not accept the withdrawal of the Croatian police. Among others, he was also welcomed by Deputy Head of County Ratko Zapcic, who informed Minister Jarnjak about the situation in that part of the county.

The meeting with UNPROFOR [UN Protection Force] officials in Moscenica brought nothing new. Brigadier General Jozef Chimiel, the Polish commander of military forces Sector "North," the head of the civilian police Superintendent Lauridsen, and Coordinator for Civilian Affairs Mr. Zhang, in their meeting with Minister Jarnjak and his associates, attempted to convince the Croatian officials that the Zagreb Agreement envisages the full withdrawal of the Croatian police from the so called "Blue Zone." The negotiations in Moscenica, which were mostly held behind the closed doors, were generally calm. A brief statement after the talks revealed that they talked about the traffic regime across the Moscenica checkpoint, ways in which the Croatian police inspect UN convoys, and about the right of the police to search UNPROFOR vehicles.

The visit to Gornje Mokrice, where some 100 inhabitants protested the terror caused by drunken Ukrainians who, as part of the peacekeeping forces, create problems for them, showed what kind of people are coming to Croatia as members of UN forces and how the resolutions of the world organization are being interpreted.

Although the talks between Minister Jarnjak and his associates with Polish Gen. Chimiel were supposed to be held under a veil of discretion, information "leaked" that the general maintained that the inhabitants of Mokrice—fed up with the terror of these drunken Ukrainian troops—were in violation of the Zagreb Agreement and that they should accept without protest the withdrawal of the Croatian police from the "Blue Zone" and the Ukrainians assuming responsibility for the safety of the locals. He emphatically denied the responsibility of his units for the incident when "merry" members of UNPROFOR terrorized locals people, chasing them around in an armored vehicle when it was a miracle that no one was hurt.

Having realized that an agreement could not be reached with Gen. Chimiel, Minister Jarnjak proposed that the problem of Gornje Mokrice, whose inhabitants refuse to put their security in the hands of the Ukrainians, be discussed next Tuesday after the meeting of the Central Commission. Minister Jarnjak and his associates will return to Gornje Mokrice to continue the talks. Minister Jarnjak, in a statement after the meeting, diplomatically tried to conceal that the talks had not succeeded, putting it mildly, and said that the Central Commission would solve the problem of the villages across the Kupa, although it is already evident that the inhabitants of Mokrice will not accept their security depending upon the Ukrainians under any circumstances. "They get drunk and harass us," said the locals, who are fed up with UNPROFOR members preventing them from going to their fields and vineyards while at the same time peacefully watching the Serbs, who are only some 200 meters away, violate the Zagreb Agreement. The locals complain that it often happens that the "Blue Helmets" simply "disappear" from their guard posts and also that they recklessly drive their vehicles through the village, causing panic among the inhabitants of Mokrice.

The agenda of the meeting in Mokrice did not remain a secret, although the talks were closed to the press. The Croatian side warned Gen. Chimiel that they would no longer tolerate the disorderly conduct of the Ukrainians and that if it were repeated, the Ukrainians would no longer be welcome.

Minister Jarnjak then went on to the front lines and visited Turanj.

[Box, p 5]

Uninformed General

Gornje Mokrice—The dialogue between Minister Jarnjak and Gen. Chimiel makes it clear what kind of people come to Croatia as members of UNPROFOR. Minister Jarnjak has informed the Pole that Turanj, in the area of Karlovac, is his next goal, and Chimiel replied that there was no problem provided that he went on the "Croatian side."

Replying to Minister Jarnjak's remark that both sides belong to Croatia, Chimiel said with a smile that "the other side" does not quite belong to Croatia. Chimiel was then reminded of the UN resolution that he must obey and the reply of the Polish general was that he was not well versed (!?) in the resolutions, so what more can we say about that?

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Serbian Soldiers Reported Withdrawing Into Serbia

AU0908145894 Skopje MIC in English 9 Aug 94

[Unattributed report: "Serbian Soldiers Went Back to Their Watch Towers"]

[Text] Serbian soldiers who were infiltrated to the Macedonian [The Former Yugoslav Republic of Macedonia] territory near the Cupino Hill peak, recently retreated again even deeper into the Serbian territory, that is, went back to their watch towers.

Now, there are no Serbian soldiers stationed close to the Macedonia-Serbian border, while the herdsmen and ranchers from the village of Luke in the county of Kriva Palanka say that only from time to time can you can see the Serbian border patrol units, which move only on the Serbian territory.

After the Serbian soldiers retreated from the peak of Straza at Cupino Hill, Macedonian border guards also retreated in their watch towers and only the patrol units of the Macedonian Army control the border.

Analysis of Drug Abuse in Country

94P21045A Skopje VECER in Macedonian 7 Jun 94 p 23

[Twelve-part series by Dimitar B. Djuzelov: "Drugs Are Near: About Drugs in General and Narcotics Addiction in Skopje"]

[Editorial Report] On 7 June, the Macedonian-language Skopje daily VECER began a 12-part series of articles on drug abuse in The Former Yugoslav Republic of Macedonia (FYROM). The author, Dimitar B. Djuzelov, included boxes containing data on various narcotics and their effects on abusers derived from U.S. and other sources, with a commentary that occasionally provided specific data on drugs and narcotics abuse in FYROM.

Djuzelov begins the series with an article headlined "A Wide-Open Door." After noting that public attention to the problem of drug abuse in FYROM has increased in recent years, Djuzelov writes: "It was an open secret that because of a ridiculously low purchase price, producers of the opium poppy concealed part of the opium gum for hard times, and it is known that every old family saved some opium for medicinal purposes. By the same token, rumors not infrequently could be heard among older people that some of the mothers working in the fields would smear their children's mouths with opium so that they would sleep or that they used it for toothaches. Similiarly, cannabis (marijuana) has long thrived under our skies." Djuzelov says, however, that drug abuse in FYROM has now spread to younger people who may also use more potent drugs.

In the next installment, titled "Directly to Heroin," which was published on 8 June on page 23, Djuzelov relates information gleaned from Dr. Gajdasis-Knezevic of the general hospital in Kisela Voda on drug dependency and on the tendency of abusers to move from marijuana to heroin. According to this expert, some addicts, especially in the ethnic Albanian minority, begin with heroin. Djuzelov's "street sources" inform him that Macedonians tend to start with marijuana and opium tea and ethnic Albanians with heroin. Expanding from the *carsija* [Turkish market], the heroin market now encompasses the entire city. From the police, Djuzelov learns that dealers in FYROM still belong to small groups of five or six people who smuggle and sell the drugs themselves rather than organized criminal syndicates. The author cautions, however, that little is known about such activity, which by its very nature requires organization, knowledge of the market, and secrecy. Therefore, he surmises, it is likely that there are professional dealers, couriers (usually from Turkey), and retail dealers who are also addicts. In Skopje, heroin is very expensive—1 gram costs 70 German marks.

In part three, "Withdrawal Crisis," published on 9 June on page 24, Djuzelov describes the problem of heroin addiction. In Macedonia, heroin is relatively free of impurities but may be more lethal because it is stronger. Last year in Skopje, there were two deaths caused by heroin overdoses. In the next day's installment, Djuzelov discusses the transition of an addict from marijuana to heroin. He notes the "worrisome" fact that the average age of addicts is dropping. During the period from 1989 to 1993, the average age of patients in the Kisela Voda hospital was 28. Whereas in the previous five years, the number of cases did not exceed 10 annually, in 1993 alone there were 50. According to a study by Dr. Ljupco Arnaudovski of Sts. Kiril and Methodi University in Skopje, in 1975, there were 40 drug addicts; in 1980 there were 122, according to police data. In 1976 0.5 kg of heroin were confiscated, and in 1982 68 kg of various drugs were seized. In the last few months of 1993 and the early part of 1994, more than 100 kg of various drugs were confiscated in Skopje. This shows that Skopje has become a center for drugs, Djuzelov says. In 1965, 12 people were convicted of narcotics trafficking; in 1975, this figure had grown to 45, and during the past few years, it has averaged 20 to 30.

Djuzelov divides the fifth article between an explanation of the abuse of synthetic drugs, such as LSD, and barbituates in the West and information on narcotics trafficking. The largest quantity of illegal drugs in Macedonia comes from Turkey, including all of the heroin, even though it is derived from opium which is abundant in FYROM. In 1993, 52.92 kg of heroin, 1.46 kg of marijuana, and 30 cannabis plants were seized. This represents a 120 percent increase over 1992. A large portion of the drugs, especially heroin, that reach FYROM continue to move westward. According to the police, FYROM is fortunate because drug traffickers most often travel from Turkey to Bulgaria, Romania, Greece, and Serbia. This is a result of the vigilance of the police and of the war in the Balkans. The police also say that the largest number of "drug-businessmen" are from

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

the western part of FYROM, and less often from Skopje, Veles, and Negotino, although there are old opium ties in Negotino.

The 13 July installment is devoted to presenting information on stimulants, mainly cocaine, and on the drug culture in FYROM. According to Djuzelov, some of the sleaziest coffeeshops and discotheques have become the haunts of drug addicts. The police have taken action against some of them, but in dozens of raids have seized only two marijuana cigarettes. This seems to indicate, Djuzelov observes, that the dealers are careful and well-organized. The author indicates that the press may have exaggerated stories about addicted children in cafes. He does not connect his descriptions of stimulants with drug abuse in Macedonia. In the following day's installment, Djuzelov presents the problem of addiction leading to criminal acts and accompanies his article with a boxed section on amphetamines. At the hospital in Kisela Voda, about 30 percent of the addicts have been charged with selling drugs. Addicts may also be involved in robberies in order to support their habit.

Djuzelov's next installment deals with the heroin market in Skopje, accompanied by a box on cannabis. The Skopje heroin market is mainly controlled by ethnic Albanian dealers and smugglers, but there are a few Macedonian addicts who are also involved. Sometimes, ethnic Albanian children peddle drugs. An addict told Djuzelov: "Previously, you could not buy heroin unless you bought at least one gram. Then, they began to sell 'halves' (half a gram), and now they 'push' quarters. In—— (a place that we will not name for understandable reasons) in Skopje, you could buy a quarter gram at that time for 500 dinars (or 15-20 German marks, depending on the quality).... Earlier, the price would drop only if you bought more than 10-15 grams. Now, they lower it for you by half (35-40 marks per gram) if you buy five or more. Last week, I went out to buy there.... I asked them: 'Is there any?' They said: 'There is. Pay up.' I gave them money; they pulled out the 'horse' and, right in front of me, they cut off some for themselves. In broad daylight, right on the street, they sniffed it. Sometimes, they don't have the drugs themselves; they take you to some house or take you inside somewhere."

In view of the demand for heroin, another addict told Djuzelov, there is a possible division underway among the dealers from Strumica and Skopje. "Currently, the strongest in the market are the Skopjeans and the Strumica people. Earlier, the Strumicans supplied the goods while the Skopjeans sold them. Now, the drugs are coming from Gevgelija (some came from there in the past as well), and even from Ohrid (from Ohrid, a 'certified staff' also came), then the Skopjeans began to get supplies from them. So, the Strumicans began to deal directly. Now, they have better quality goods than the Skopjeans do, and they sell them for lower prices.... The Skopjeans do not provide well. So, recently, perhaps they have begun to fumble about against each other." According to Djuzelov, the police were noncommittal about such a struggle. Other addicts told him that, after the Albanians, the Ohrid mafia is in first place, and its members have begun to cross into Skopje. The narcotics scene in Skopje and in FYROM has begun to resemble those elsewhere in the world, he observes.

In the ninth installment, published on 16 June, Djuzelov discusses the bleak outlook for drug addicts in FYROM, where medications for treating any kind of illness are scarce. At the general hospital in Kisela Voda, the usual treatment for heroin addicts begins with detoxification. In addition to the lack of medicine, the hospital does not have enough specialists on its staff. This hospital is the only one in the FYROM that accepts drug addicts. According to Djuzelov, addicts in FYROM sometimes combine their addiction to heroin or opium with abuse of alcohol or legal medications such as tranquilizers.

In the subsequent installment, Djuzelov addresses the legal aspects of narcotics abuse. FYROM derives its laws on this subject from those of the Socialist Federal Republic of Yugoslavia. Article 246 of the criminal code provides for prison sentences ranging from three months to five years for trafficking, and if supplying drugs to a minor (person aged 14-18) is involved, terms can be increased from one to 10 years. FYROM's criminal code does not strictly define drug abuse as a crime. However, a government commission is currently studying revisions to the law, and the Constitution provides the legal basis for the state to become involved in protecting the "physical and moral integrity" of people in the FYROM. Djuzelov cites a legal expert, Dr. Marjanovic, on other gaps and inconsistencies in the existing law. The final two installments, published in the weekend issue of 18-19 June and on 20 June, provide arguments for and against legalization of drugs, particularly the so-called "easy" ones like marijuana.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Federal

TANJUG Reports Success of Economic Program

LD1108122694 Belgrade TANJUG in English 1133 GMT 11 Aug 94

[Text] Belgrade, Aug 11 (TANJUG)—Yugoslavia has for the past six months held inflation in check and that is the most important result of the implementation of the programme of monetary reconstruction and overall economic recovery in Yugoslavia. The Federal Government adopted the programme on January 24, at a moment when rampant inflation threatened to bring about an economic collapse and hit the record figure of 116 billion percent annually.

Yugoslav businessmen assessed then that the programme had launched a process which would prevent a monetary and economic collapse in the conditions of the economic embargo, and now, after six months, all indicators confirm its successful implementation. Industrial production rose 26.8 percent in the past six-month period while retail prices dropped 1.4 percent in July and the cost of living one percent. [sentence as received]

Wheat harvest has been successfully completed and the yield is estimated at 3.5 million tonnes. A good harvest of autumn crops is also expected. The exchange rate of the dinar is stable and the foreign currency reserves have risen to an estimated 300 million German marks. As previously announced by the architect of the economic programme, National Bank Governor Dragoslav Avramovic, the state in July stopped covering the deficit in public expenditure.

Hitherto results show that the programme is also successful when wages are concerned, which has resulted in improved living standards. The average net wage in June was 167 dinars (dinar is at a par with the German mark), as against 25 dinars last January. As estimated by federal and republican governments, which are now summing up the results of the programme's implementation, a general stabilization of business activities has taken place throughout Yugoslavia.

The governments said that over the past six-month period the social product had reached 7.8 billion dinars and that its further growth could be expected throughout the year. Governmental economic experts estimate that the programme is still in its initial stage and that a more delicate phase of business activities should be expected in the forthcoming period.

Serbian Prime Minister Mirko Marjanovic has recently confirmed this, adding that there would be no budget deficit and that the policy of wages must not threaten the programme. These are the priority tasks in the implementation of the programme because budget financing and wages were earlier the main sources of hyperinflation in Yugoslavia.

Kosovo

Internal Conflict Among Albanians Examined

AU1108191094 Belgrade Radio Beograd Network in Serbo-Croatian 1700 GMT 11 Aug 94

[Report by Milivoje Mihajlovic from Pristina]

[Text] Anton Koljaj, one of the closest associates of Ibrahim Rugova, accused Bujar Bukoshi, illegal prime minister of the nonexistent republic of Kosovo, of trying to take over as leader of the Albanian political movement. This accusation has been published by the Albanian magazine ZERI, in which Koljaj further claims that Bukoshi has confiscated all the money from the account of the nonexistent republic of Kosovo. He also says that the illegal government is a surrogate and that Bukoshi has been living a care-free life in an expensive villa in the village of (Ulm) in Germany, far from the problems facing the Kosovo Albanians.

Anton Koljaj, deputy chairman of Rugova's party, claims that there is also a conceptual conflict between Rugova, who is committed to a neutral and independent Kosovo, and Bukoshi, who is more engaged in fulfilling the idea of an autonomous Kosovo.

Bukoshi today told BUJKU that the claims by Anton Koljaj were malicious and that their aim was destructive.

The conflict actually started with the appointment of the chief of the bureau of the nonexistent republic of Kosovo in Tirana. Bukoshi insisted that Skender Zogaj should remain in that post, while Rugova presented credentials to Koljaj. Koljaj and Zogaj clashed the minute they got to Tirana, even physically, according to rumors. That clash only served to make public the long-hidden and carefully concealed discord in Rugova's wing of the Albanian separatist movement.

Ibrahim Rugova, chairman of the Democratic Alliance of Kosovo, said at his latest news conference that the policies of the Albanians in Kosmet [Kosovo and Metohija] were decided upon by institutions—the president of the illegal republic, the Coordination Committee of Parties, and then the government.

ZERI says in its commentary today that such tripartite rule actually leads to party lethargy—that is, to political anarchy—among the Albanians in Kosmet.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, military, economic, environmental, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available sources. It should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed. Except for excluding certain diacritics, FBIS renders personal names and place-names in accordance with the romanization systems approved for U.S. Government publications by the U.S. Board of Geographic Names.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Central Eurasia, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTs and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735,or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.)

Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.